

DOCUMENT 4 – 2022 EFFICIENCIES UPDATE

OTTAWA POLICE SERVICE

2022 FIRST QUARTER FINANCIAL REPORT

APRIL 25, 2022

The 2022 Ottawa Police Service (OPS) Budget included \$5.05M in permanent budget base reductions proposed by the OPS, as well as an additional \$2M brought forward by the Ottawa Police Services Board (Board), for a total of \$7.05M; including eliminating 20 full-time equivalent positions.

Historically, the OPS has identified and implemented efficiencies as part of its annual budget to ensure a lean and fiscally responsible organization. Over the last decade, the OPS has identified \$2M in efficiencies annually, on average. Identifying and implementing \$7.05M in permanent base funding reductions will present some risks and challenges, however, the OPS is committed to this exercise.

Strategies for Efficiencies

In 2022, the OPS began immediately to manage expenditures by issuing a General Order directing a discretionary spending freeze, starting January 1, 2022, that included:

- Mission Critical Travel Order – i.e. travel that is operational for homicide investigations, prisoner returns, and/or travel that has no operating costs (100% of costs covered by requesting agency) are still permissible; and
- Discretionary spending freeze – spending, including credit card purchases, will be limited to Mission Critical items (mandated training, Health & Safety items; pre-existing contract obligations).

Unfortunately, the illegal protest that occurred in Ottawa in February 2022 resulted in a delay in this work as most staff were engaged in supporting an end to the occupation. Work is underway again including:

- Line-by-line reviews across the organization began in January and will conclude in April;
- A corporate credit card audit is underway to potentially uncover opportunities to better control, and track expenditures; and
- Consideration of the benefits of moving to a centralized procurement model for better pricing and greater economies of scale is underway.

Current Status

To-date, the OPS has implemented \$2 million (28 percent) in base reductions of the \$7.05 million target and other strategies are underway but savings have not yet fully materialized. The details of those achievements can be seen in the Table below.

The OPS recently tabled a Board report for outsourcing the collision reporting centres that was approved at the March 2022 Board meeting.

	Item	Target	Identified	Achieved	FTE Savings
a)	Management Interventions: reduction in supplies, professional/consulting services, better rates in contract negotiations with vendors, reduced devices/hardware, civilianization	\$2,000,000	\$2,000,000	\$1,600,000	0
b)	Other Efficiencies & Reductions: various position reductions	\$1,900,000	\$1,900,000	\$0	15
c)	Fleet & Facilities Rationalization: decrease in fleet vehicles and accommodation repairs/improvements	\$600,000	\$600,000	\$400,000	0
d)	Outsourcing Collision Reporting Centres	\$550,000	\$550,000	\$0	5
	Total Efficiencies tabled by OPS	\$5,050,000	\$5,050,000	\$2,000,000	20
	Management Interventions motion from OPSB (initiatives under development)	\$2,000,000	\$550,000	\$0	TBD

	Total Efficiencies Approved	\$7,050,000	\$5,600,000	\$2,000,000	20
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Corresponding Notes:

a) Management Interventions - \$2M

The OPS is looking for savings across all directorates within the organization and is achieving this through the line-by-line review meetings with each Superintendent and civilian equivalent. Centralizing the purchasing of equipment and supplies to ensure streamlining of the purchasing process and ensuring more uniformity around uniforms, equipment, and lifecycle management will provide efficiencies.

c) Fleet Rationalization and Facilities Savings – \$0.6M

The OPS has identified savings that are achievable through a Fleet rationalization review to optimize the number of vehicles across units, excluding frontline services. A pooled fleet strategy across the investigative and intelligence units, where there are no operational impacts, will also reduce the number of units within the overall organization while not impacting services. Within Facilities, the OPS is able to achieve savings related to office moves, fit-ups and construction. As the Service continues to utilize remote working where operationally feasible, it will continue to review and work towards a policy that ensures optimal service delivery and utilization of space and cost.

d) Accident Support Services International Ltd (ASSIL) 3rd Party Collision Reporting - \$600,000 efficiency

The OPS is working on an initiative to outsource collision reporting to a third-party vendor to offer a cost-effective alternative to achieve savings while reducing pressures on frontline services.

Impact of the Ottawa illegal protest on realizing efficiencies targets

The illegal protest that happened in Ottawa (January 28 to February 28, 2022) placed an unprecedented strain on OPS resources and shifted organizational focus from seeking efficiencies, to managing the occupation and eventual removal of the protesters from the city's downtown core.

Estimated costs associated with the illegal protest, up to February 28th, are in the range of \$35M, with additional costs still being realized. The OPS has been informed by the federal government that it will receive additional funding through its National Capital Extraordinary Policing Costs program to offset all costs incurred by the OPS due to the occupation.

Lessons learned from the illegal protest are already being acted upon as witnessed from the additional proactive policing and surge capacity measures implemented surrounding St. Patrick's Day. This increased planning and surge capacity posture will be required on a go-forward basis for events and demonstrations within the City of Ottawa.

Depending on the event these increased costs may be recoverable from the National Capital Extraordinary Policing Costs program, but not all of them will and therefore will result in increased costs for the OPS. Combining the increased pressures for specialized events outlined above with the immense inflationary pressures from fuel and the fiscal picture for 2022 will be extremely challenging.

Next Steps

The OPS will be providing regular quarterly updates to the Board on the progress of its achievement in attaining the \$7.05 million efficiency target through the quarterly financial Board reports at the July and October Board meetings in keeping with the Board's monitoring requirements.