

## **DOCUMENT 4 – 2022 EFFICIENCIES UPDATE**

### **OTTAWA POLICE SERVICE**

#### **2022 FOURTH QUARTER FINANCIAL REPORT**

**March 27th, 2023**

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 that the organization runs in a way that is lean and fiscally responsible. Over the last decade, the OPS has identified \$2M in efficiencies annually on average. Identifying and implementing \$7.05M in permanent base funding reductions wasn't achievable in 2022 and continues to present some risks and challenges, however, the OPS is committed to this exercise being completed in 2023.

#### **Strategies for Efficiencies**

The OPS began efforts to manage expenditures immediately on January 1, 2022 with the issuance of a General Order directing the following:

- Mission Critical Travel Order
- Discretionary Spending Freeze

These directives were in effect for the entire year to help mitigate against the unfound portion of the permanent efficiency target.

Unfortunately, in 2022 the larger scale and increased quantity of events and demonstrations resulted in a delay in work towards achieving the OPS's efficiency target as most staff were engaged in supporting these events. That being said, some major work to move this initiative along did progress and included:

- Line-by-line budget reviews across the organization
- Completion of a corporate credit card audit
- Outsourcing Collision Reporting Centres and a reduction in the hours of service at the Front Desk occurred in January of 2023

#### **Current Status**

As of end of the fourth quarter of 2022, the OPS has implemented \$4.1 million (58%) in base reductions of the \$7.05 million target. The OPS is now expecting to fully implement

all base reductions in 2023. The details of those achievements have been noted in the Table below.

	<b>Item</b>	<b>Target</b>	<b>Achieved</b>	<b>FTE Savings</b>
<b>a)</b>	<b>Management Interventions:</b> reduction in supplies, professional/consulting services, better rates in contract negotiations with vendors, reduced devices/hardware, civilianization	\$2,000,000	\$2,000,000	0
<b>b)</b>	<b>Other Efficiencies &amp; Reductions:</b> various position reductions	\$1,900,000	\$500,000	15
<b>c)</b>	<b>Fleet &amp; Facilities Rationalization:</b> decrease in fleet vehicles and accommodation repairs/improvements	\$600,000	\$400,000	0
<b>d)</b>	<b>Outsourcing Collision Reporting Centers</b>	\$550,000	\$0	5
	<b>Total Efficiencies tabled by OPS</b>	<b>\$5,050,000</b>	<b>\$2,900,000</b>	<b>20</b>
<b>a)</b>	Management Interventions motion from OPSB	\$2,000,000	\$1,200,000	TBD
	<b>Total Efficiencies Approved</b>	<b>\$7,050,000</b>	<b>\$4,100,000</b>	<b>20</b>

**Corresponding Notes:**

a) Management Interventions - \$4.0M

The OPS is looking for savings across all directorates within the organization and has achieved this through the line-by-line review meetings with all Senior Leaders. The 2023 Budget process also assisted with identifying further efficiencies that the OPS was able to contribute to this target.

c) Fleet Rationalization and Facilities Savings – \$600,000

The OPS has identified savings that are achievable through a Fleet rationalization review to optimize the number of vehicles across units excluding front line 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, the service 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 front line services. This initiative went live in January 2023 and the savings from this initiative will be provided on the next quarterly update.

### **Next Steps**

The OPS will continue 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 until this target is achieved. The next scheduled update is the April Board Meeting when data up to the end of Q1 2023 will be provided. The Service achieved 58 percent of its savings target, with identified opportunities for additional savings planned for 2023. Despite not achieving this ambitious target in one year's time the OPS was successful in implementing double the historic average efficiency target in 2022. The Service will work with City of Ottawa partners to address the remaining target, and will continue to seek opportunities for efficiency, improvement, and reinvestment.