

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

### **OTTAWA POLICE SERVICE**

#### **2022 SECOND QUARTER FINANCIAL REPORT**

**September 26, 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 (the 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 will present some risks and challenges, however, the OPS is committed to this exercise.

#### **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 – only 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
- 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 demonstration that occurred in February resulted in a delay in work towards achieving the OPS' efficiency target as most staff were engaged in supporting an end to the occupation. Although responses to similar large demonstrations continue and are very time-consuming for the OPS, work to move this initiative along has progressed and included:

- Line-by-line reviews across the organization beginning in January and concluding in May
- Completion of a corporate credit card audit with a draft report expected in the third quarter of 2022

- Consideration of the benefits of moving to a centralized procurement model for better pricing and greater economies of scale
- Outsourcing Collision Reporting Centres

### Current Status

As of end of Q2 2022, the OPS has implemented \$3.1 million (44%) in base reductions of the \$7.05 million target; other strategies are underway, but savings have not yet fully materialized. The OPS is expecting to fully implement all base reductions by the end of 2022. The details of those achievements have been noted in the Table below.

	Item	Target	Identified	Achieved	FTE Savings
a)	<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	\$1,900,000	0
b)	<b>Other Efficiencies &amp; Reductions:</b> various position reductions	\$1,900,000	\$1,900,000	\$500,000	15
c)	<b>Fleet &amp; Facilities Rationalization:</b> decrease in fleet vehicles and accommodation repairs/improvements	\$600,000	\$600,000	\$400,000	0
d)	<b>Outsourcing Collision Reporting Centers</b>	\$550,000	\$550,000	\$0	5
	<b>Total Efficiencies tabled by OPS</b>	<b>\$5,050,000</b>	<b>\$5,050,000</b>	<b>\$2,800,000</b>	<b>20</b>

	Management Interventions motion from OPSB (initiatives under development)	\$2,000,000	\$2,000,000	\$300,000	TBD
	<b>Total Efficiencies Approved</b>	<b>\$7,050,000</b>	<b>\$7,050,000</b>	<b>\$3,100,000</b>	<b>20</b>

**Corresponding Notes:**

a) Management Interventions - \$2.0M

The OPS is looking for savings across all directorates within the organization and is achieving this through line-by-line review meetings with all Senior Leaders. 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 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, 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 - \$0.6M 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.

**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; the next scheduled update is the October Board Meeting when data up to the end of Q3 2022 will be provided. The Service has achieved approximately 40 percent of its savings target, with some identified opportunities for additional savings. Despite this, the Service may not be able to achieve the entire target

in 2022. The Service will work with City of Ottawa partners to address this gap and will continue to seek opportunities for efficiency, improvement, and reinvestment.