

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

### **OTTAWA POLICE SERVICE**

#### **2021 FOURTH QUARTER FINANCIAL REPORT**

**MARCH 28, 2022**

The 2022 Ottawa Police Service (OPS) budget included \$5.05M in permanent budget-base reductions proposed by the Service, 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**

At the start of 2022, the OPS began to immediately manage expenditures by issuing a General Order on January 1 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
- 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 occupied the city from January 28 to February 20, 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 \$1.8M (26 percent) in base reductions of the \$7.05M target, and other strategies are underway, but savings have not yet fully materialized. The details of those achievements are outlined in the Table below.

Business cases related to reducing services in several areas of the OPS will be presented to the Board at a future date.

Item		Target	Identified	Achieved	FTE Savings
a)	<b>Management Interventions:</b> discretionary spending freeze, reduction in supplies, professional/consulting services, better rates in contract negotiations with vendors, reduced devices/hardware, civilianization	\$2,000,000	\$2,000,000	\$1,400,000	0
b)	<b>Other Efficiencies and Reductions:</b> various position reductions	\$1,900,000	\$1,900,000	\$0	15
c)	<b>Fleet and Facilities Rationalization:</b> decrease in fleet vehicles and accommodation repairs/improvements	\$600,000	\$600,000	\$400,000	0
d)	<b>Outsourcing Collision Reporting Centres</b>	\$550,000	\$550,000	\$0	5
	<b>Total Efficiencies Tabled by the OPS</b>	<b>\$5,050,000</b>	<b>\$5,050,000</b>	<b>\$1,800,000</b>	<b>20</b>
	Management Interventions motion from the Board (initiatives under development)	\$2,000,000	\$0	\$0	TBD
	<b>Total Efficiencies Approved</b>	<b>\$7,050,000</b>	<b>\$5,050,000</b>	<b>\$1,800,000</b>	<b>20</b>

### Corresponding Notes:

a) Management Interventions - \$2.0M

The OPS is looking for savings across all directorates within the organization. As a result of the COVID 19 pandemic, the OPS has been able to pivot and adjust to new ways of providing services and achieving savings such as equipment purchases, training, travel, supplies, etc. Centralizing the purchasing of equipment and supplies to ensure streamlining of the purchasing process will ensure consistency around the

procurement of uniforms, equipment, and lifecycle management and will provide efficiencies.

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 being used 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, 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) Third 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 illegal protest in Ottawa on realizing efficiencies targets**

The illegal occupation of our city 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 occupation, up to February 28,2022, 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. Further details and updates will be provided at the April Board meeting.

**Increasing risks and pressure for 2022 Budget**

The OPS is currently tracking increased pressures for events and demonstrations, violent crime, post illegal protest reviews, and inflationary costs such as fleet equipment and fuel costs.

The OPS has learned many lessons from the illegal protest and more will be identified through upcoming reviews. Rightfully, the community expects adequate police services for events and demonstrations. As a result, a more robust approach to the planning and deployment of policing and surge capacity for events such as the Panda game, St.

Patrick's Day, etc. is the new approach, going forward, for all events and demonstrations within the city. Additionally, the city is seeing a rise in violent crime in communities such as the Byward Market area, as well as amongst high school youth, that is demanding additional policing attention.

Finally, the pandemic had already placed pressure on the supply chain, and now the destabilization of the world economy and inflation is impacting the OPS fleet fuel and equipment costs.

Pressures and risks to the OPS' 2022 Budget will be captured in more detail in the 1st Quarter Financial Report at the April Board meeting.

### **Next Steps**

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