

COMPREHENSIVE SPENDING REVIEW

HOME AFFAIRS STEERING GROUP REPORT

Introduction

The Comprehensive Spending Review (CSR) is a response to the structural deficit forecast from 2011 and the need to at least match savings in the public sector with any proposals to increase taxation. The CSR is therefore targeted at delivering £50 million (10% of gross revenue spend) by 2013 from the expenditure levels approved in the 2010 Annual Business Plan.

Accordingly, States departments have been asked to identify savings of 10% of their gross budget - 2% in 2011, 3% in 2012 and 5% in 2013.

Consequently, the Home Affairs Department was asked to identify savings of £4.62 million by 2013.

Home Affairs – Composition of Budget and Structure of Report

| Section | | 2010 Revenue Expenditure £ | 2010 Income £ | 2010 Net Revenue Expenditure £ | Staff fte |
|---------|--------------------------|-------------------------------|--------------------|-----------------------------------|--------------|
| 1 | States of Jersey Police | 23,075,000 | (144,500) | 22,930,500 | 350 |
| 2 | Customs and Immigration | 6,311,000 | (890,000) | 5,421,000 | 84 |
| 3 | Fire and Rescue Service | 4,869,100 | (45,300) | 4,823,800 | 79 |
| 4 | Jersey Prison Service | 11,137,100 | (430,000) | 10,707,100 | 177 |
| 5 | Home Affairs | 383,000 | - | 383,000 | 4 |
| 5 | Building a Safer Society | 481,000 | - | 481,000 | 3 |
| 5 | Jersey Field Squadron | 1,170,500 | - | 1,170,500 | 6 |
| 5 | Superintendent Registrar | 245,200 | (95,000) | 150,200 | 4 |
| | Total | 47,671,900 | (1,604,800) | 46,067,100 | 704 |

Estimated gross expenditure for 2010 is £48 million (£46 million net) as shown in the table above. The 2011 Annual Business Plan shows that this expected to increase to £50 million (£48 million net) in 2011 – a 4% increase. This increase is mainly due to the transfer of court and case budgets previously funded from the Criminal Offences Confiscation Fund and the strengthening of the Jersey Financial Crime Unit as a result of the IMF review.

Staff costs represent 83.6% of the net budget.

Overall Proposed Savings

The proposed savings of £4.6 million are set out in the table below. As the 2011 savings have already been incorporated into the 2011 Annual Business Plan the steering group has limited its work to reviewing savings for 2012/13. Details of the savings are in **Appendix C**.

In determining their 2012/13 savings, the Home Affairs Department asked Services to provide proposals and impact statements for 10% savings. These were then prioritised through a red/amber/green (RAG) process to arrive at the final proposals.

The Department has provided a full set of savings that falls short of the Department's total by £138,000. Taken in the round, and given that some of the savings proposals are in our view modest, the steering group believes that this shortfall will be made up and the Department will meet its target.

| Section | | 2010 | 2011 Savings | | 2012 Savings | | 2013 Savings | | Total savings | |
|---------|--------------------------------------|------------------------------|--------------|------------|--------------|------------|--------------|------------|---------------|-------------|
| | | Revenue Expenditure £'000 | £'000 | fte | £'000 | fte | £'000 | fte | £'000 | fte |
| | DEPARTMENTAL SAVINGS | £'000 | £'000 | fte | £'000 | fte | £'000 | fte | £'000 | fte |
| 1 | States of Jersey Police | 23,075 | 481 | 6.3 | 647 | 2.0 | 174 | - | 1,302 | 8.3 |
| 2 | Customs and Immigration | 6,311 | 138 | 2.0 | - | - | 100 | - | 238 | 2.0 |
| 3 | Major Review of Law Enforcement | - | - | - | - | - | 1,500 | tba | 1,500 | tba |
| 4 | Fire and Rescue Service | 4,869 | - | - | 54 | - | 189 | 1.5 | 243 | 1.5 |
| 5 | Business Case for Joint Control Room | - | - | - | tba | tba | tba | tba | tba | tba |
| 6 | Jersey Prison Service | 11,137 | 165 | 1.0 | 275 | 2.0 | 484 | 7.0 | 924 | 10.0 |
| 7 | Home Affairs | 383 | 100 | - | - | - | - | - | 100 | - |
| 7 | Building a Safer Society | 481 | 15 | - | 46 | 1.0 | - | - | 61 | 1.0 |
| 7 | Jersey Field Squadron | 1,170 | 55 | - | 39 | 1.0 | 20 | (1.0) | 114 | - |
| 7 | Superintendent Registrar | 245 | - | - | - | - | - | - | - | - |
| | Total Departmental Savings | 47,671 | 954 | 9.3 | 1,061 | 6.0 | 2,467 | 7.5 | 4,482 | 22.8 |
| | | | 2.0% | | 2.2% | | 6.0% | | 9.4% | - |

The Stateswide review into the terms and conditions of employees is expected to deliver a number of the savings identified e.g. the payment of medical, dental and optical allowances to Police, Fire and Prison officers, as well as any corporate savings. This is also the case with the Review of Court and Case Costs which has identified potential savings from the Criminal Justice Process.

In-depth Reviews

Four in-depth reviews were scheduled as part of the Home Affairs CSR process (terms of reference attached at **Appendix B**). These reviews related to law enforcement and policing (section 3); elimination the duplication between the Police and Customs and Immigration services (sections 2 and 3); the potential to merge the Fire and Rescue and Ambulance services (section 4), and the feasibility of a tri-emergency services control room (section 5).

Findings, recommendations and conclusions

Section 1: States of Jersey Police (SOJP)

| States of Jersey Police – Proposed savings | | | |
|---|-----------------|-----------------|-----------------|
| Description | 2011 | 2012 | 2013 |
| 2011 savings | £481,000 | | |
| 2012 savings – confirmed | | £332,000 | |
| 2012/13 savings – indicative | | £315,000 | * |
| Subtotal (£) | £481,000 | £647,000 | £0 |
| Subtotal (% of 2010 budget¹) | 2.1% | 2.8% | 6.5% |
| Court & Case Costs/Criminal Justice review | | | £100,000 |
| Terms & conditions: Medical, optical, dental benefits | | | £74,000 |
| Total (£) | £481,000 | £647,000 | £174,000 |
| % of Police Budget | 2.1% | 2.8% | 1% |
| * See Section 3 - Major Review into Law Enforcement | | | |

1.1 2012 Savings

- SOJP have submitted savings of £647,000, including the loss of 2 posts, for 2012 based on the response and reassurance policing improvement programme set out in

¹ The 2010 budget for SOJP is £23,075,000

the Policing Plan. This is split into confirmed savings of £332,000 which have been fully costed, and indicative savings of £315,000 which are currently being progressed. SOJP are confident that these indicative savings can be delivered within the overall envelope. The detail of these savings is attached at **Appendix C**.

- Our external consultants, Tribal, have reviewed these proposals and agree that they are reasonable and should deliver savings of £647,000.
- It is anticipated that these savings will offset the alternative which would be a reduction in staff numbers at a level which would critically affect the capacity and capability of SOJP. Should these savings not be delivered there will need to be a reduction in police posts in order to deliver compensatory savings.

1.2 2013 Savings

Corporate reviews undertaken as part of the CSR process:

- The review examining the terms and conditions of employees is expected to identify the current arrangement of paying medical, dental and optical fees to police officers as a saving of £74,000.
- The review of Court and Case Costs and the Criminal Justice Process has already identified a number of areas where process improvements, if implemented, should accrue savings of c£100,000 to the SOJP in 2012. Other process improvement savings will accrue as a result of the major review into law enforcement outlined in Section 3 below.

1.3 Conclusions

- The CSR proposals for SOJP are feasible, realistic and achievable. With a small exception, any reduction in police officer posts will be the result of restructuring underlying service processes arising from the proposed major review described in Section 3, and not blanket cuts in police numbers with reduced services. We are therefore confident that the proposals will have the least impact on SOJP operations.
- We would finally note our real concern at the imminent departure of the current Acting Chief of Police. Under his recent command, SOJP has shown a proactive approach to identifying performance improvement and cost reduction opportunities and considerable improvements in the culture of the organisation and its relationship with partner agencies.

1.4 Recommendations

- SOJP should continue to refine the evaluation of the 2012/13 savings that have been identified as indicative (FMEs, training, Court security, prisoner transport, and CCTV).
- In addition we consider there other opportunities for savings that should be explored. This peer review has focused on the CSR proposals that have been submitted. As stated, we believe that the proposals are realistic and achievable, but would also urge the SOJP and States of Jersey to consider the following opportunities for delivering costs savings.
 - Collaboration with Guernsey on areas other than that being explored around training, e.g. vehicle and uniform procurement, specialist roles e.g. forensics, financial crimes.
 - The creation of a single custody facility (although this should be explored in the proposed major review).
 - A single emergency control room (see section 4.6).

Section 2: Jersey Customs and Immigration (JCIS)

| Jersey Customs & Immigration | Savings proposed | | |
|--|------------------|-----------|-----------------|
| | 2011 | 2012 | 2013 |
| Description | | | |
| Savings | £138,000 | 0 | £100,000 * |
| Total (£) | £138,000 | £0 | £100,000 |
| % Customs and Immigration Budget | 2% | 0% | 2% |
| * See also Section 3 - Major Review into Law Enforcement | | | |

2.1 2013 savings

- JCIS currently pay rental for offices in Maritime House of £364,000 p.a. with a contractual 2.5% p.a. increase until 2020. Jersey Property Holdings will be tasked to provide accommodation to meet the operational requirements of the Customs and Immigration Service in order to deliver rental savings of £100,000 per annum by 2013. This is likely to result in relocation and will eventually depend on the outcome of the major review of law enforcement set out in section 3.

Eliminating duplication between Customs/Immigration and the Police:

- This review was commissioned as an 'in-depth review' to examine where areas of commonality exist between JCIS and SOJP and whether this leads to unnecessary duplication and inefficiency. The review was undertaken by senior officers from the JCIS and the SOJP and peer reviewed by Tribal to ensure rigour.
- This is against a the background of a report by the Comptroller and Auditor General² that found that the Customs and Immigration Department was '*if anything, under-funded and that there is little likelihood that significant expenditure reductions could be achieved without major and contentious revisions of the service provided by the department*'
- Anecdotally, both organisations have acknowledged that their professional relationships have improved over recent months and they wish to continue and increase cooperation.

2.2 Findings

- When we came to review the work undertaken, it was clear that this was an unsatisfactory process that would be unlikely to deliver the CSR requirements.
- The review group was comprised of senior officers from the JCIS and SOJP who compared there respective areas of operation to determine
 - Where there were areas of duplication
 - Where such duplication could be eliminated
- Whilst the review group identified fifteen areas of duplication between the services (**Appendix F**), we were disappointed to note that the summary of findings found no financial savings where there is acknowledged duplication but '*... immediate agreement reached in several areas which will potentially result in future administration savings*' - particularly given that in JCIS over half of the staff complement is involved in similar operations to the SJOP.

2.3 Conclusions

- We believe that this review lacked challenge and objectivity and would have been better undertaken by independent reviewers external to the two the JCIS and SOJP.

² Comptroller & Auditor General: States Spending Review – Emerging Issues, May 2008

- Whilst the steering group acknowledges the analysis undertaken by the review group, we are sceptical there are no opportunities for savings. Indeed, from our short peer review we believe that there are opportunities for savings in areas of commonality such as intelligence, investigation and border policing, through a radical rethink of how these and other functions are dealt with. Solutions may drive scale or flexibility efficiencies and de-skilling benefits where activities are handled by least cost staff.

2.4 Recommendations

- The steering group proposes that the outputs of this review and any ongoing work will be subsumed into the proposed new major review into law enforcement (as outlined in Section 3).
- We also recommend that service level standards be reviewed in areas such as issuing passports as an acceptable reduction in targets could result in additional savings.

Section 3: Major Review into Law Enforcement and Policing

| Major Review into Law Enforcement & Policing – Proposed savings | | | |
|---|-----------|-----------|-------------------|
| Description | 2011 | 2012 | 2013 |
| Major review into law enforcement – indicative | £0 | £0 | £1,500,000 |
| Subtotal (£) | £0 | £0 | £1,500,000 |
| Subtotal (% of 2010 Home Affairs overall budget³) | 0% | 0% | 3.1% |

- It was clear from discussions with the Acting Chief of Police that he believed that a full review of how law enforcement was organised and delivered could lead to greater efficiency and significant savings. This was endorsed by Tribal based on their experience of police modernisation programmes in the UK, including the areas where savings might be expected locally (**Appendix D**) which were through:
 - Streamlining processes
 - Reducing duplication and maximizing scale economies between SOJP and JCIS e.g. frontier teams, intelligence and investigation units
 - Workforce modernization e.g. civilianisation of certain posts
 - Changing current delivery activities
- Tribal were therefore asked to provide a detailed requirement for a review to cover all aspects of law enforcement and policing, including the work of the Customs and Immigration Department (see **Appendix E**).
- The objective of this review would be: *‘To increase the capacity, capability and resilience of Jersey’s law enforcement and public protection service, enabling it to maintain delivered outcomes whilst operating with a significantly reduced budget from 2013.’*
- The steering group has had a number of discussions with Tribal and stakeholders, including the Acting Police Chief and the head of JCIS. As a result, and based on what has been achieved elsewhere, we are confident that 5% savings is a conservative estimate of can be achieved whilst creating a flexible, resilient and agile organisation focused on meeting the needs of the people of Jersey in 2013 and beyond.

³ The 2010 budget for SOJP is £23,075,000

3.1 Conclusions

- A lot of expectation is placed on the outcome of the major review, in that it delivers the required savings without degrading the outcomes achieved by SOJP and JCIS.
- We are confident that if the review is effectively managed, properly resourced and allowed to operate within appropriate timescales that these dual objectives can be realised.
- We view the major review as an opportunity to realistically take stock and establish what level of services should be provided for Jersey and how.
- Clearly such a review would be a major undertaking and would need the full commitment from the relevant service heads to drive the review to a satisfactory conclusion. The review would also need to be properly resourced and with an appropriately qualified independent adviser to provide the necessary challenge and proper intellectual leadership in the change process.

3.2 Recommendations

- In order to deliver the expected savings it is vital that the States take steps to start the major review process with the minimum of delay in order to meet the timescales for reviewing, redrafting and proposing new legislation.
- A proposed high level delivery plan for the major review is included in the proposal at **Appendix E**. It is based on the assumption that the review will commence in October 2010.
- Accordingly, the first stage of the proposal, which will provide the detailed business case for proceeding to the full review, should be completed by the end of December 2010. This would ensure that any benefits and savings identified are based upon thorough evidence and analysis. Tribal estimate the cost of this feasibility study would be c£50-100k.
- The new Chief of Police will need to be involved in the solution and lead the change process to a successful conclusion. Therefore, if the current Acting Police Chief cannot be retained, the States of Jersey must ensure that the selection process for the new Chief of Police acknowledges this and ensures that the appointee is fully signed up to the review and delivering its objectives.

Section 4: Jersey Fire and Rescue Service

| Jersey Fire & Rescue Service Description | Savings proposed | | |
|---|------------------|----------------|-----------------|
| | 2011 | 2012 | 2013 |
| Operational savings & terms & conditions | 0 | £54,000 | £50,000 |
| Terms & conditions: Medical, optical, dental benefits | | | £25,000 |
| Merger of Fire & Rescue & Ambulance | | | £114,000 |
| Joint Emergency Services Control Room | | tba | tba |
| Total (£) | £0 | £54,000 | £189,000 |
| % of Jersey Fire & Rescue Service Budget | 0% | 1% | 4% |

4.1 2012 Savings

- 2012 savings of £54,000 will be delivered through reducing the administration function through a change in shift and crew patterns.

4.2 2013 Savings

- Renegotiation of pay scales for firefighters, ultimately resulting in reduced expenditure estimated at £50,000, will require consultation with affected staff.
- The review examining the terms and conditions of employees is expected to identify the current arrangement of paying medical, dental and optical fees to Firefighters as a saving of £25,000.
- The steering group supports the independent review currently being undertaken into the costs of the Western Fire Station.

4.3 Merger of Fire & Rescue and Ambulance Services

- An in-depth review examined the strategic fit between both Services to see if a merger between the Fire and Rescue and Ambulance services would improve their overall efficiency, effectiveness and resilience and build on the already close working relationship between the two services, which already operate a joint services control room (terms of reference attached at **Appendix B**). The review was undertaken by senior personnel in the Fire and Ambulance Services with independent peer review by Tribal throughout.

4.4 Findings

- Both the Fire & Rescue Service and the Ambulance Service have a good track record for their front line emergency response. However, with increasing demands for their services with decreasing budgets this can only be maintained if an entirely new approach is adopted.
- Three options were considered
 - Option 1: Status quo
 - Option 2: A merger providing a single management and control structure but maintaining the two separate operational services
 - Option 3: A single, multi-skilled service
- Part of the evaluation process involved visiting the combined Fire/Ambulance Service in Dublin which showed that such a merger can be successful and deliver benefits.
- Option 2 provided many of the improvements in efficiency and effectiveness as option 3 but with the minimum risk to the operational delivery of emergency response. This would facilitate the merger of both emergency services so that they are governed and managed under a single management and command structure. In the immediate future it would enable a merger of the management structures and administration/supporting services to create capacity to meet future demands and improve the service. It would also support operational improvements such as Fire Service co-responding.
- Option 2 would deliver savings of an estimated £114,000 per annum ongoing savings with a one-off invest to save funding of £30,000 for the development of a single command structure and additional training for both Fire & Ambulance Silver Commanders in each service area. Some of these savings will be dependent on co-location when the new planned Headquarters are developed. This equates to a 1.3% saving of the two services' 2010 revenue expenditure budgets.
- A merged service would also deliver a one off saving of £3.7 million⁴ through a single headquarters with shared facilities. This is made up of £1.3 million of building differential costs and £2.4 million in land saving.
- In the longer term it could pave the way for a full merger and provide further efficiency savings.

⁴ Source: Jersey Property Holdings

- Governance issues will need to be resolved in the longer term as currently the two services report to different Ministers. Arrangements will also need to be in place to ensure that the Ambulance service maintains its close links with the General Hospital to ensure appropriate service levels and standards. Initial discussions with Health and Social Services regarding the proposals were encouraging.

4.5 Conclusions

- There is a history of the Fire and Rescue and Ambulance services working closely together, therefore the proposal to merge the two services is credible.
- The programme of work identified in the report offers a number of achievable projects which if implemented could produce cash-releasing operational savings whilst also improving the service delivered.
- The identified ongoing revenue savings are modest at 1.3% of the joint Fire/Ambulance budget and whilst we accept that both services are already operating on lean budgets, we believe further savings should be possible.
- A prioritised approach to developing and implementing a change programme to achieve a greater level of collaboration and integration between the two Services will lead to greater resilience and longer term cost containment.
- Whilst this option identifies fairly modest savings, it presents the best option for delivering both financial and service benefits in a fairly short space of time, with the option for further change in the future as the merged service develops.
- There are issues of governance that will need to be resolved and a stepped approach to change will drive future momentum and offer the best chance of success.

4.6 Recommendations

- Option 2 - a merger of the Fire and Ambulance Services in Jersey – should be progressed on the basis that this would create a cost effective Fire and Ambulance Emergency Service with an improved service delivery from a larger workforce with a wider and deeper skills base. This would deliver:
 - A single Fire, Rescue and Ambulance Service for Jersey
 - One principle management team; Senior and Middle managers
 - Shared accommodation and resources, where appropriate
 - A single administration team and support managers
 - Maintain clear separate emergency response identities
- Governance issues will need to be resolved in the longer term as currently the two services report to different Ministers. Initial discussions with Health and Social Services are positive and should be progressed to maintain momentum.
- We believe that it would be logical for the merged service to be part of Home Affairs. Consequently, it would be very important to ensure that the Ambulance Service maintain the strongest links with Health Social Services to ensure that clinical governance, standards and operational requirements are met.
- Accordingly, a phased implementation plan is required to ensure that all risks and issues are identified and addressed to ensure that professional standards are maintained, and that early savings are realised from non-contentious areas.

Section 5: Business case for an emergency services joint control room

- The development of a business case for a tri-service control room for Police, Fire and Ambulance Services was included as an in-depth review for three reasons:
 - The Fire and Ambulance services currently successfully operate a joint control room
 - Plans are already in place to relocate Police Headquarters in 2011, including a new control room.
 - Plans are being developed for a new Fire/Ambulance Headquarters by 2013
- The proposal is that a tri-emergency service control room covering the Police, Fire and Rescue, and Ambulance services be developed as part of the project to relocate Police Headquarters in 2011.
- We are disappointed that, at the time of writing, the feasibility study/business case still has to be formulated. However, the indications are that:
 - There would be a saving (to be quantified) through not having to include a control room in the development of the new Fire/Ambulance Headquarters.
 - There would be costs (to be quantified) associated with relocating the systems currently used by the Fire and Rescue and Ambulance services.
 - Savings are unlikely to accrue within the timescale of the CSR. However, in the longer term, the opportunity to develop shared systems and protocols could deliver savings.
- The steering group supports this view and urges that the feasibility study be completed without delay.
- This is time critical as plans for the relocation of the Police in 2011 are currently being developed – including the arrangements for a new control room - and whilst the steering group does not underestimate the potential problems and risks, this is an opportunity that should be fully explored.

Section 6: Jersey Prison Service

| Jersey Prison Service | Savings proposed | | |
|---|------------------|-----------------|-----------------------|
| Description | 2011 | 2012 | 2013 |
| Operational savings & terms & conditions | 165,000 | £275,000 | £624,000 ⁵ |
| Terms & conditions: Medical, optical, dental benefits | | | £32,000 |
| Total (£) | £165,000 | £275,000 | £656,000 |
| Total (%) of Prison Service Budget | 1.5% | 2.5% | 6% |

6.1 2012 Savings

- Creation of a new Prison Officer grade with an expected savings of £200,000. Any change in terms for uniformed personnel, ultimately resulting in reduced expenditure, will be subject to extended discussions with staff associations.
- Reduced costs of £45,000 by reducing the breadth of prisoner education and activity. This would reduce the choices of activity available to prisoners and may result in prisoner spending more time in their cells.

⁵ See Footnote 6

- Reorganisation of working practice in operations and administration with savings of £30,000 and the loss of 1 fte post.

6.2 2013 Savings

- The Prison has identified that 40% of the population is made up of foreign nationals. The repatriation of these prisoners would reduce the population of the prison and therefore impact on the level of staffing. Whilst the Prison does not have direct control over this, the introduction of appropriate legislation is one of the Home Affairs Minister's priorities and drafting time has been set aside to progress this initiative, it seems reasonable to predict the impact with regard to staffing levels. Savings are estimated to be £240,000.
- The closure of the Young Offenders (YOI) at La Moye is also outside the control of the Prison Service but, nevertheless, is worthy of serious consideration. This would mean redistributing the YOI population partly to the adult prison and partly to an alternative establishment outside the prison system. This would require a change in the Law and may also require an extension of the facilities at Greenfields. The Children's Policy Group are already considering a change in policy. Removing the young offenders from La Moye would not only make savings for the Prison, it would have a positive impact on the establishment reducing its complexity and easing the delivery of a regime to the remaining populations. If this option is to be pursued, the financial implications for Greenfields will need to be evaluated as the net saving for the States of Jersey may be reduced.

Savings for this initiative are estimated to be £240,000. However, we believe that this figure needs to be reduced to £100,000 to take account of any potential costs incurred at Greenfields as a result of the transfer.

- A review of education and skills provision is expected to deliver savings of £82,000.
- An additional £30,000 will be saved from changes in working practice in operations and administration through more efficient processes.
- The review examining the terms and conditions of employees is expected to identify the current arrangement of paying medical, dental and optical fees to Prison Officers as a saving of £32,000.

6.3 Potential to outsource the Prison

- The Criminal Justice sector in the UK, and the prison service in particular, has recently contracted out many functions that are delivered in the prison environment. These functions range from outsourcing entire prisons through Private Finance Initiative, to contracting out specific education services such as substance misuse programmes.
- The steering group asked Tribal to undertake a short piece of work into the cost drivers for the Prison (**Appendix G**). This was with a view to assessing the feasibility of outsourcing all or part(s) of the service.

6.4 Findings

- The Criminal Justice sector in the UK, and the prison service in particular, has recently contracted out many functions that are delivered in the prison environment. These functions range from outsourcing entire prisons, to contracting out specific education services e.g. substance misuse programmes. This option also exists for the Prison.
- There are a wide range of services that could be contracted out based on experiences on the UK mainland. However it is important that all options are fully considered before any decision is taken. Specific issues that should be recognised and assessed in particular for Jersey include:

- Staff costs are relatively high compared to the UK which might impact on the attractiveness of the opportunity to potential providers.
 - The type of the establishment may not be attractive to the market as it is a single prison. This option could be made more attractive by considering a joint outsourcing arrangement with Guernsey.
 - The current estate is considered poor for the optimum provision for services. Any provider would be required to operate within a limited financial envelope without significant new investment.
 - The geographical position of Jersey means that the local supply chain is very different from other prison circumstances. Many services on Jersey are more expensive than the mainland (e.g. Food) and others have very limited competition for their services (e.g. utilities), which result in higher costs for the Prison.
- The individual areas within Jersey's Prison where outsourcing could be considered include:
 - Transport and logistics
 - Works Services and Buildings Services
 - Catering
 - Education and rehabilitation
 - Procurement

6.5 Conclusions

- Based upon experiences on the UK mainland, a wide range of services could be contracted out if it was cost effective to do so. However it is important that all options and implications are fully considered before any decision is taken.
- Notwithstanding the difficulties of location and cost, the opportunity also exists to outsource the Prison as a complete entity.

6.6 Recommendations

- A feasibility study should be conducted as soon as possible to assess the potential to outsource functions of the Prison. This should explore contracting out :
 - Individual functions (e.g. catering, education, back office, transport)
 - Full prison provision
 - Elements of cross service (e.g. prisoner transport, custody across all Jersey agencies)
- In particular, we believe that exploring the contracting out of prisoner transport across all agencies would be an ideal initial project to be started without delay.
- The timescales and due process to establish a Repatriation Act should be explored as soon as possible.
- Custodial sentencing policy should be reviewed to assess if alternatives would be less costly whilst still delivering the objectives of the Criminal Justice Policy.
- The Prison should explore alternative opportunities to commission education and rehabilitation programmes to deliver services for prisoners.
- Further use of the Probation Services to manage sentences should be explored. This may result in an increase in the Probation Service's budget to offset greater savings on Prison costs.

Section 7: Home Affairs, Building a Safer Society, Jersey Field Squadron and Superintendent Registrar

7.1 Home Affairs

| Home Affairs | Savings proposed | | |
|---|------------------|-----------|-----------|
| Description | 2011 | 2012 | 2013 |
| Home Affairs | £100,000 | £0 | £0 |
| Total (£) | £100,000 | £0 | £0 |
| Total (%) of Home Affairs Budget | 26.1% | 0% | 0% |

- The Home Affairs service area in the Annual Business Plan includes:
 - Explosives Officer / Explosives Licensing
 - Statutory and Legislative Provisions
 - Vetting and Barring Office
 - Communications Data (Police and Customs) (Revenue costs associated with the Regulation of Investigatory Powers (Jersey) Law)
 - Criminal Injuries Compensation Scheme
- Savings of £100,000 have been identified for 2011. No further savings have been identified for 2012/13

7.2 Building a Safer Society (BaSS)

| Building a Safer Society | Savings proposed | | |
|---|------------------|----------------|-----------|
| Description | 2011 | 2012 | 2013 |
| Building a Safer Society | £15,000 | £46,000 | £0 |
| Total (£) | £15,000 | £46,000 | £0 |
| Total (%) of Building a Safer Society Budget | 3.1% | 9.6% | 0% |

- The Building a Safer Society Strategy has three main priorities:
 - to reduce crime and anti-social behaviour;
 - to provide people with the opportunities to develop their potential and become active and responsible citizens;
 - to reduce substance misuse.
- The budget includes funding for projects provided by the Education Sport and Culture and Health and Social Services Departments, and the Probation Service. The Health and Social Services Department's cash limit also includes funding for BaSS projects.
- Savings of £15,000 are proposed for 2011 and a further £46,000 including loss of 1fte in 2012 making a total of £61,000 which is equal to 13% of BaSS's 2010 gross revenue expenditure.

7.3 Jersey Field Squadron (JFS)

| Jersey Field Squadron | Savings proposed | | |
|--|------------------|----------------|----------------|
| Description | 2011 | 2012 | 2013 |
| Jersey Field Squadron | £55,000 | £39,000 | £20,000 |
| Total (£) | £55,000 | £39,000 | £20,000 |
| Total (%) of Jersey Field Squadron Budget | 4.7% | 3.3% | 1.7% |

- The Squadron's administration is controlled through the Inter-Governmental Agreement (IGA) between the UK and the States of Jersey.
- Savings of £55,000 are proposed for 2011, a further £39,000 in 2012 and £20,000 in 2013 making a total of £114,000 which is equal to 9.7% of the JFS's 2010 gross revenue expenditure.
- The JFS has been tasked with reducing its operating costs in 2011 and agreeing to a change in operating provision in 2013 which will need to be agreed with the new Officer Commanding.

7.4 Superintendant Registrar

| Superintendant Registrar | Savings proposed | | |
|---|------------------|-----------|-----------|
| Description | 2011 | 2012 | 2013 |
| Superintendant Registrar | £0 | £0 | £0 |
| Total (£) | £0 | £0 | £0 |
| Total (%) of Superintendant Registrar's Budget | 0% | 0% | 0% |

- The Office of the Superintendant Registrar is the smallest department of Home Affairs; its function is to oversee the accurate registration of births, marriages and deaths in the Island in accordance with the Marriage and Civil Status (Jersey) Law 2001 (and other relevant laws) and to deal with matters of interpretation and policy relating to the law.
- As the smallest department with a net revenue budget of £150,200 in 2010 and declining income no savings have been proposed for this area in the period 2011 – 2013. However, it should be noted that there are potential savings of £50,000 in 2014 due to a relocation of premises.

APPENDIX

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| Appendix A | Role of the Steering Group |
| Appendix B | Terms of Reference for the CSR in depth reviews subject to peer review by Tribal |
| Appendix C | Table of 2012/2013 Savings |
| Appendix D | Case Studies of Tribal's police modernization projects in the UK |
| Appendix E | Proposal for a major review of the law enforcement and public protection services |
| Appendix F | Activities that are duplicated between JCIS and SOJP |
| Appendix G | Prison – Key Cost Drivers |

THE ROLE OF THE STEERING GROUP

A generic terms of reference was developed for the steering groups along with a governance structure which was approved by the Council of Ministers.

The Steering Groups were given three prime responsibilities:

1. To steer each major review and ensure the Terms of Reference for each review are delivered on time and within budget.
2. To provide an independent challenge and review on the relevant department's services and operations including:
 - (a) Financial overview:
 - The allocation of budgets across service areas
 - The level and nature of overheads
 - (b) Organisational and management structure and opportunities for reform
 - (c) Alternative service delivery options
 - (d) User pays/charging options
3. To present a report to the Ministerial Board setting out how savings could be achieved, identifying those which would be as a result of efficiency; major restructuring without reducing outcomes; and those which would result in reductions in outcome. For each option it should identify the service and public implications, together with an indication of what would be necessary to implement the option.

The membership of the Home Affairs Steering Group is:

- Tom Binet (independent Chairman)
- Chris Ambler (independent)
- Bill Ogle (Chief Executive of the States)
- Andy Scate (independent Chief Officer)
- Steven Austin-Vautier (Chief Officer, Home Affairs)
- David Warcup (Chief of Police)

The Steering Group has met on seven occasions including its inaugural meeting held on 28th June.

The role of the Consultants

The independent consultants appointed to undertake the peer review were Tribal – a leading UK consultancy specializing in Public Sector reform. Tribal were asked to review :

- The rigour of the process
- The detailed work programme
- The potential to deliver efficiencies and improve effectiveness of service in accordance with the overall scope and objectives
- The appropriateness of outcomes

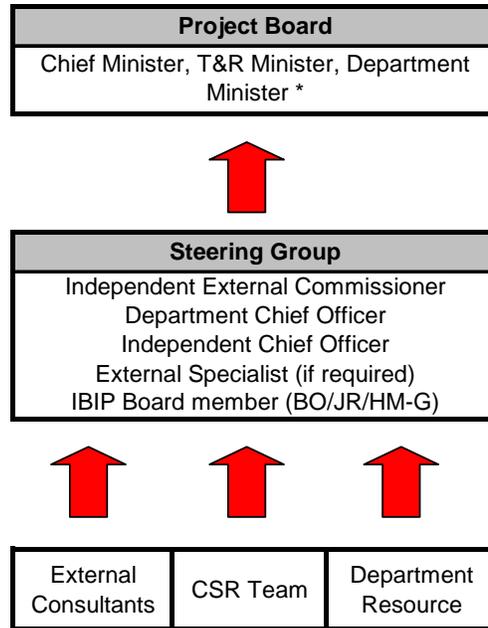
Tribal is the leading provider of consultancy and support services to the public sector. It employs over 2,000 staff in more than 40 offices across the UK, serving over 2,500 clients. The company works with a wide range of organisations including schools, hospitals, local authorities, housing associations and government departments. Many of its staff have worked within the public sector and are nationally recognised leaders in their field.

MAJOR REVIEWS – GOVERNANCE STRUCTURE

The Council of Ministers has approved the following governance structure for the major reviews being undertaken as part of the CSR.

The following diagram shows the proposed governance structure:

MAJOR REVIEWS - GOVERNANCE STRUCTURE



** For the Terms and Conditions Review, the Project Board will be the SEB*

The following comments further explain the process:

1. The Project Board will agree the Terms of Reference of the review and receive the final report from the Steering Group.
2. The Steering Group will meet regularly throughout the project and ensure the Terms of Reference are delivered.
3. It is envisaged that either the independent external reviewer or the independent chief officer would be the Chairman of the Steering Group.
4. The main work of the reviews will be undertaken by external consultants appointed by the Steering Group or internally with external peer review. It should be recognised, however, that some support both from the CSR team and the relevant department will be necessary. In addition, there will be a requirement for a Project Manager to be identified to manage the review which, ideally, will be someone from within the department

Home Affairs – Major Reviews Terms of Reference

Introduction

The States of Jersey has initiated a Comprehensive Spending Review (CSR) which will analyse all areas of States spending to identify ways to save money, to understand the implications of any proposed savings and also to target improvements. There will be 6 major reviews to encompass the big spending departments, including Home Affairs.

The CSR is targeted to find total savings of £50m (10% of gross revenue spend) by 2013 from the current business plan. Options for savings will be identified as part of the Review. However, the expectation is for opportunities to the value of at least 10% of the levels of forecast spend for the department to be identified which for Home Affairs equates to £4.6 million (excluding Court and Case Costs) by 2013.

Objectives of the Review

The key objectives of the major reviews are to:

- identify the major cost drivers for the department to identify current and future major spend areas
- benchmark major spend areas with other jurisdictions to determine areas for efficiency review
- review identified areas of concern to maximise savings and/or manage increased future demand within existing resources ie:
 - providing the same service at a lower cost
 - providing increased level of service at the same or lower cost
 - deliver the same policy outcome by different means
 - deliver a different policy outcome
- identify improvements where planning and control weaknesses are shown

Background

The Home Affairs Department is made up of a number of disparate services as follows:

1. Police
2. Prison
3. Fire Service
4. Customs & Immigration
5. Superintendent Registrar
6. Field Squadron
7. In addition there is a central Directorate to oversee these services which includes the 'Building a Safer Society' (BASS) initiative

Currently, each of these departments works independently of each other under the umbrella of the central Directorate. The services and the directorate are all located in separate buildings around the town area (apart from the Prison) and do not share any facilities, although the Fire Service share a control room with the Ambulance Service which is also located in a separate location. The Fire, Police and Ambulance services are situated in close proximity to each other but in separate buildings. Plans are currently being developed to relocate the Police but within close proximity of its current location.

Appendix B

The make up of the Home Affairs Department was determined at the outset of ministerial government. Prior to that, each of the services was autonomous. It should also be noted that other departments related to the support of the criminal justice system are outside the ministerial system and still operate as individual departments e.g. Judicial Greffe, Viscount, Probation, Law Officers etc.

Scope

The Chief Officer of the Department, service chiefs and management teams and finance officers of each service have been interviewed and work is in hand to complete:

1. A diagnostic phase to collate all relevant financial and non financial information on key service/activity areas including inputs and outputs and benchmarking/unit costs where appropriate.
2. A review of previous reports and recommendations to determine their relevance in this current project.
3. An assessment of cost drivers within the department to determine the major influences on expenditure and identify where savings could be made.
4. Appropriate benchmarking of key service areas to determine how they compare with best practice organisations
5. This will include, for those areas selected for review:
 - who should provide the service
 - whether there is a suitable external provider(s)
 - whether the service should be charged for
 - whether the service should be provided/organised in a different way
 - how similar services are provided elsewhere
 - how the service can be provided for less
 - opportunities for combining services/sharing facilities
6. An assessment of changes required in the short term and longer term to improve efficiency and effectiveness, including proposals to change policy and legislation.
7. Identification of prioritised savings opportunities, to the value of 10% of forecast spend (value to be confirmed), with impacts, risks, costs and implementation plan.

Detailed work programme

Arising from 1- 4 above, a number of potential areas for major review have been identified, namely:

1. EMERGENCY SERVICES

| | |
|-----------------|---|
| 1.1 | Modernisation of law enforcement and policing The objective of the review is to ensure that the organisation and processes supporting law enforcement in Jersey are efficient, effective and whilst compare with best practice elsewhere, are the best fit for Jersey. |
| Part (i) | The review will encompass work already identified by the States of Jersey Police and includes: <ul style="list-style-type: none">• Re-visiting and implementing the findings of the internal organisation structure of the Police Service and resource allocation review completed in 2009• Identifying the long term resource requirements necessary to meet the demands of policing Jersey• Increasing operational capacity of the Police by streamlining and rationalising current |

Appendix B

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| | <p>work practices</p> <ul style="list-style-type: none"> • Examining opportunities presented by workforce modernisation ensuring the workforce mix of police officers and staff is efficient, effective and sustainable. • Developing a human resources strategy designed to maintain a motivated and flexible workforce, equipped with the right mix of skills to deliver a truly professional policing service. • Identifying opportunities for support partnership working across the public sector (including the Parishes) to help ensure corporate efficiency across the States and greatest impact on community safety. • Reviewing offender management and the needs of victims and witnesses. • Reviewing capacity to identify, assess and manage strategic and operational risks • Re-assessing/re-affirming long-term accommodation requirements prior to the finalization of any redevelopment plans, which should also take into account any related recommendation from Part (ii) and 1.2 (below) |
| <p>Part (ii)</p> | <p>Eliminate duplication between Customs and Police</p> |
| | <ul style="list-style-type: none"> • Review the law enforcement elements of the Customs and Immigration Service and the Police Service to assess any opportunities to avoid duplication of effort or resources and streamline processes, particularly with regard to intelligence and border control. |
| <p>Resources required:</p> <p>Part (i): External peer review, oversight and challenge of the detailed work listed which will be undertaken internally by the Police. The peer review will assess:</p> <ul style="list-style-type: none"> • The rigour of the process • The detailed work programme • The potential to deliver efficiencies and improve effectiveness of service in accordance with the overall scope and objectives • The appropriateness of outcomes • Other opportunities for improving the Police service <p>Part (ii): External peer review, oversight and challenge of the detailed work listed which will be undertaken internally by senior officers from the Police and Customs and Immigration Services. The peer review will assess and challenge:</p> <ul style="list-style-type: none"> • The rigour of the process • The detailed work programme • The potential to deliver efficiencies and improve effectiveness of service in accordance with the overall scope and objectives • Synergies with Part 1 • The appropriateness of outcomes | |
| <p>Timescale: These reviews will be expected to deliver initial recommendations by the end of August 2010. In particular assessment of any savings, invest to save or growth implications will need to be identified in time for the Part 2 (2012/2013) Business Plan submissions (end of August).</p> | |
| <p>1.2</p> | <p>Emergency Services Joint Control Room – Business Case</p> <p>The objective of the review is to determine with the efficiency and effectiveness of the emergency services can be improved through a joint control room.</p> <p>Currently, there are two '999' control room – (i) the Police (ii) Joint facility dealing with Fire and Ambulance</p> |
| | <p>The review will:</p> <ul style="list-style-type: none"> • Assess the feasibility and for a joint control room for all emergency services • scope the requirements • Develop a business case for the introduction of a joint control room. |
| <p>Resources required:</p> <p>External expertise is required to:</p> | |

Appendix B

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| | <ul style="list-style-type: none"> • Develop a detailed work programme • Work with the emergency services' senior management to assess feasibility of a joint control room, including work done previously • Assess the potential to deliver efficiencies and improve effectiveness of service in accordance with the overall scope and objectives • Develop the business case |
| <p>Timescale: This review will be expected to deliver initial recommendations by the end of August 2010. In particular assessment of any savings, invest to save or growth implications will need to be identified in time for the Part 2 (2012/2013) Business Plan submissions (end of August).</p> | |

| | |
|---|---|
| 1.3 | <p>Potential to merge the Fire and Ambulance Services</p> <p>The objective of the review is to improve the efficiency, effectiveness and resilience of both services through a merger of management structures and other common functions</p> |
| | <p>The review will include:</p> <ul style="list-style-type: none"> • Assessing the opportunities for dual roles and operational synergy between the services to improve the overall emergency response • Assessing the potential for a single command/control and management structure • Assessing the potential for sharing administrative and support service functions • Assessing the potential to share resources/accommodation (accommodation needs may need to be considered alongside 1.1) • Identifying efficiency savings and service benefits arising <p>Note: There may be additional work arising from any agreement with the Fire Service over terms and conditions.</p> |
| | <p>Resources required:</p> <p>The review will be undertaken internally by senior officers from the Fire and Ambulance Services. External peer review, oversight and challenge of the process will be required by appropriate external parties, with additional oversight by a member of the CSR Team. The peer review will assess and challenge:</p> <ul style="list-style-type: none"> • The rigour of the process • The detailed work programme • The potential to deliver efficiencies and improve effectiveness of service in accordance with the overall scope and objectives • The appropriateness of outcomes |
| <p>Timescale: This review will be expected to deliver initial recommendations by the end of August 2010. In particular assessment of any savings, invest to save or growth implications will need to be identified in time for the Part 2 (2012/2013) Business Plan submissions (end of August).</p> | |

Governance

The Home Affairs Department will identify a suitable Project Manager with responsibility for ensuring that the reviews are delivered on schedule and in accordance with the terms of reference.

A Steering Group will oversee the reviews and arrange regular meetings to monitor progress. The Group will comprise:

- Chief Officer – Steven Austin-Vautier + other Service Chiefs as appropriate
- Independent Chief Officer – Andrew Scate
- A member of the IBIP Programme Board (Bill Ogle/Hugh McGarel-Groves/John Richardson)
- An external independent
- A UK specialist

Deliverables

1. A comprehensive report for each of the major reviews under 1 and 2 covering all items listed under the scope and a scoping document with next step proposals for 3.
2. The completion of the CSR pro-formas for 2012/13.

2012/13 Savings

| Opportunity | Description of savings opportunity | Savings 2012 | Savings 2013 | Impact on staff numbers | Impact on service delivery |
|--|---|-----------------|--------------|-------------------------|--|
| States of Jersey Police | | | | | |
| Note: Police functions will be included in the major review into law enforcement * | | | | | |
| Loss of CID Allowance | Historic allowance paid to detectives for incidental expenses associated with community intelligence work which is now a regulated function. | £50,000 | | | None |
| Create vehicle pool | Creation of vehicle pool has reduced vehicle requirement and facilitated reduction in budget | £20,000 | | | Minimal – could reduce operational resilience in the event of a major incident |
| Reduction recruitment advertising campaign | Reduce advertising for job vacancies. Advertising will be done via SOJP website | £18,000 | | | None |
| Reduce Policing of Special events | Historically a high Police presence at these events, which have increased significantly in number and size in recent years. This can be reduced particularly as the onus is increasingly placed on organisers to provide stewarding, etc at events such as the Battle of Flowers, Jersey Live | £20,000 | | | Managed and minimal effect because of joint planning with organisers |
| Further reduction in Police Overtime | Realignment of shift patterns in specialist departments, closer management of operations through tasking and coordinating groups. Crime screening process enables appropriate allocation of resources to meet demand. Different ways of working | £80,000 | | | Service delivery sustained through different ways of working |
| Reduction in 2 Police posts | Assessment of functions that should be provided by the Police | £114,000 | | 2 fte | |
| Reduction in travel & subsistence | | £30,000 | | | |
| Subtotal - confirmed savings | | £332,000 | | 2 fte | |
| Review Force Medical contracts | Current FME contracts believed to be significantly more expensive. Demand hasn't changed in recent years but costs have escalated dramatically. Whilst difficult to define | £100,000 | | | None |

Appendix C

| Opportunity | Description of savings opportunity | Savings 2012 | Savings 2013 | Impact on staff numbers | Impact on service delivery |
|---|--|-----------------|-----------------|---|----------------------------|
| | savings, aspiration is to cut these costs through alternative service provision and revised charging arrangements | | | | |
| Training | Fundamental review of the way the Service provides probationer training and professional development. Work has already begun on collaborative working with Guernsey. Consideration also given to outsourcing more training and e-learning. Opportunities to deliver a different mix of staff in the Police training dept including civilianisation | £100,000 | | Potential reduction in posts through civilianisation and outsourcing (mostly police officers) | None |
| Court Security/ Prisoner transport | This is not a core policing function but historic attempts to move the function to responsible departments or an external contractor have been resisted by the other agencies concerned. | £75,000 | | Potential reduction in posts | None |
| CCTV | Investing in wireless technology will enable significant savings on fibre optic line rentals to existing camera sites and will facilitate greater flexibility in the deployment of CCTV to intermittent hotspots. If the status quo was maintained, the move to a new Police HQ will entail significant investment in rerouting existing CCTV networks and some equipment is due for replacement. Taking these impending costs into account will offset the investment required in new technology. Savings accrued on operating costs and increased operational efficiency make this a viable option | £40,000 | | | None |
| Improvements to the Criminal Justice Process | The CJP mapping process has identified a number of processes that could be improved. This include case file preparation and the reduction in file information provided to the Parishes for cases that are likely to result in a 'warning' | | £100,000 | Not known at this time but may result in staff savings | |
| Terms & conditions: Staff medical optical and dental benefits | Police Officers are currently reimbursed for medical, optical and dental benefits. | | £74,000 | | |
| Total savings Police | | £647,000 | £174,000 | 2fte | |

Appendix C

| Opportunity | Description of savings opportunity | Savings 2012 | Savings 2013 | Impact on staff numbers | Impact on service delivery |
|---|--|-----------------|-------------------|---|--|
| Customs and Immigration | | | | | |
| Note: Customs and Immigration functions will be included in the major review into law enforcement * | | | | | |
| Review of accommodation requirements and relocation to cheaper premises. | | | £100,000 | | Some disruption to the public |
| Total savings Customs & Immigration | | | £100,000 | | |
| Major Review into Law Enforcement and Policing* | | | | | |
| Major review into law enforcement | A strategic review into the organisation of law enforcement in Jersey with the objective of increasing the capacity, capability and resilience of Jersey's law enforcement and public protection service, enabling it to maintain delivered outcomes whilst operating with a significantly reduced budget from 2013. | | £1,500,000 | This is not known at this time, but it is expected that overall staff numbers will reduce | |
| Total savings Law Enforcement and Policing | | | £1,500,000 | | |
| Fire and Rescue Service | | | | | |
| Reduction in staff costs and non staff expenditure | | £54,000 | | | Reduced capacity and resilience, particularly during larger incidents; more management time undertaking administrative functions. |
| Renegotiation of pay scales for fire-fighters. | | | £50,000 | | Through negotiation aim to move from a 'length of service' based incremental system to a 'responsibility and performance' based systems. |
| Terms & conditions: Staff medical optical and dental benefits | Fire Officers are currently reimbursed for medical, optical and dental benefits. | | £25,000 | | |

Appendix C

| Opportunity | Description of savings opportunity | Savings 2012 | Savings 2013 | Impact on staff numbers | Impact on service delivery |
|---|---|----------------|-----------------|-------------------------|---|
| Major Review - Potential to Merge Fire and Rescue and Ambulance Services | | | | | |
| Merger of services | A partially merged service would provide: a single Fire, Rescue and Ambulance Service for Jersey One principle management team; Senior and Middle managers Shared accommodation and resources, where appropriate A single administration team and support managers Maintain clear separate emergency response identities | | £114,000 | 1.5 fte | A merger would increase resilience and facilitate closer working between the services. There would be a number of operational benefits in terms of first responders, joint training etc |
| Total savings Fire & Rescue | | £54,000 | £189,000 | 1.5 fte | |
| Prison Service | | | | | |
| Create a new Prison Officer Grade. | | £200,000 | | | This would require detailed negotiations with the PSA. This presents as an attractive long-term option as it would give increased flexibility for deployment. There would be no reduction in the number of personnel but the number of prison officers at current pay grades would reduce. The impact would be significant over the first year or so as the new structure bedded in but in the long-term there would be no major impact on the operational management of the establishment. |
| Reduce the prison population by way of repatriation and closing the YOI. | | | £480,000 | 10fte | The saving is dependent on the implementation of a Repatriation of Offenders Law, enabling prisoners to serve their sentence in their home country where appropriate, and the agreement of the Children's' Policy Group. There would be an impact on the provision of services at Greenfields which will need to be discussed with |

Appendix C

| Opportunity | Description of savings opportunity | Savings 2012 | Savings 2013 | Impact on staff numbers | Impact on service delivery |
|---|--|-----------------|-----------------|-------------------------|---|
| | | | | | the Health and Social Services Department. |
| Prisoner Activity -Reduction in the breadth of prisoner activity and education. | | £45,000 | | 1fte | This would reduce the choices available to the prisoner population. This may result in prisoners spending more time in cell due to lack of options to employ the whole of the prisoner population. There may be a prisoner reaction given that this would be a reduction in the regime. |
| Prisoner Activity - Review of Education and Skills provision in the light of reduced prisoner population. | | | £82,000 | 1fte | Dependent on the reduction of prisoner population due to repatriation and closure of the YOI. |
| Terms & conditions: Staff medical optical and dental benefits | Prison Officers are currently reimbursed for medical, optical and dental benefits. | | £32,000 | | |
| Operations and Administration -Changes in working practices. | | £30,000 | £30,000 | 1fte | Reduced prisoner officer flexibility and inability to develop prisoner programmes to address offending behaviour. |
| Total savings Prison Service | | £275,000 | £624,000 | 13fte | |
| Building a Safer Society | | | | | |
| Staff Reduction. | | £46,000 | | 1fte | Delivery of Strategic Priority 7 - Protect the public and keep our community safe, will need to be reviewed. |
| Total savings Building a Safer Society | | £46,000 | | 1fte | |
| Jersey Field Squadron | | | | | |
| IMLO and Careers Office - Staff Reduction. | | £39,000 | | 1fte | Reduction in the number of military visitors to Jersey. This is difficult to quantify with any accuracy as past estimates have been based upon |

Appendix C

| Opportunity | Description of savings opportunity | Savings 2012 | Savings 2013 | Impact on staff numbers | Impact on service delivery |
|--|------------------------------------|-------------------|-------------------|-------------------------|---|
| | | | | | estimations of individual expenditure whilst in the Island. |
| UK Defence | Change in Operating Provision | | £20,000 | (1 fte) | Minimal |
| Total savings Jersey Field Squadron | | £39,000 | £20,000 | Net nil | |
| HOME AFFAIRS TOTAL SAVINGS 2012/13 | | £1,061,000 | £2,607,000 | Minimum 17.5 fte | |

Case Studies of Tribal's Police modernisation programmes

| Client | Scope of work | Budget in scope | Savings | Savings as % of budget |
|---|---|---------------------------|--------------|------------------------|
| National Policing Improvement Agency | Customer Facing Directorate: <ul style="list-style-type: none"> Organisational re-structuring Streamlining processes Optimising staff numbers and mix | £30m (circa 600 staff) | £4m | 13% |
| Rural County Police Force | Corporate Services: <ul style="list-style-type: none"> Streamlining processes Reducing duplication Reducing procurement spend Removing unnecessary posts in line with a rationalisation of area command units | £10m | £1.3m | 13% |
| Urban Police Force | Detainee Management: <ul style="list-style-type: none"> Rationalising custody facilities across the force Streamlining processes Optimising staff numbers, allocation and mix | £14m | £7m | 50% |

In addition to these projects that Tribal have delivered, there is broader evidence that the application of such methods as Lean Thinking, Business Process Reengineering and Workforce Modernisation can be successfully applied in law enforcement organisations.

In the UK, two national programmes have demonstrated that the application of these methods can deliver cashable savings and/or significant improvements in performance. These programmes are the Home Office's QUEST programme⁶ and the NPIA's Workforce Modernisation programme⁷.

The following table presents a small selection of case studies from these two programmes. It should be noted that both programmes were operated in a period where cost savings were a by-product of the work and not a core objective.

⁶ Tribal (in partnership with PA Consulting) have just been appointed by the Home Office as one of two consultancies that will operate the successor to QUEST, which is currently operating under the working title of the 'Continuous Improvement in Policing' programme.

⁷ Tribal were lead advisors to the Workforce Modernisation programme, providing training and mentoring to eight of the pilot forces within the programme.

Examples of QUEST and Workforce Modernisation projects

| Police force | Programme | Areas included in the work | Outcomes achieved |
|----------------|-------------------------|--|---|
| West Yorkshire | QUEST | Crime recording, investigation and Criminal Justice Department | <p>Crime recording and investigation.</p> <ul style="list-style-type: none"> • Reducing the average time taken for crime to be dealt with from 47 to 7 days. • A 92% reduction in crime incorrectly screened in for investigation • 67% reduction in Neighbourhood officer workload <p>Criminal Justice</p> <ul style="list-style-type: none"> • Increase in the quality of files submitted to the CPS and a reduction in the number returned for re-work • Fewer adjournments and witnesses being cancelled • Court availability to trial reduced from over 100 days to 45 |
| Lancashire | QUEST | <ul style="list-style-type: none"> • End-to-end deployment processes including call handling to re-engineer operational activities to improve value for money outcomes and productivity. • Further applied to crime investigation and defendant management processes | <ul style="list-style-type: none"> • Efficiencies in excess of £500,000 were identified within the pilot area in 2007/08 by the selection and delivery of five specific options to reduce staff deployments. • Deployments were reduced by over 40 per cent with customer satisfaction increasing to 98 per cent. • The changes were implemented across all six BCUs from April 2008 and it is anticipated that this will deliver annual efficiencies across the Force of between £2 million and £4 million. |
| Northumbria | Workforce modernisation | <ul style="list-style-type: none"> • Investigation • Response • Intelligence • Neighbourhood policing | <ul style="list-style-type: none"> • Improvement in efficiency by 26% • Statistically significant rise in arrests (70 more per month) • Shortened the average length of investigation from 41 – 21 days. • A measured improvement in customer satisfaction and public confidence |
| Staffordshire | Workforce Modernisation | <ul style="list-style-type: none"> • CID - Investigation | <ul style="list-style-type: none"> • Predicted £395k costs saving over 5 years, which is on track after year 2 • No change in efficiency |

Appendix D

| Police force | Programme | Areas included in the work | Outcomes achieved |
|--------------|-------------------------|---|--|
| Surrey | Workforce Modernisation | <ul style="list-style-type: none"> • Investigation (CID) • Response | <ul style="list-style-type: none"> • 42% increase in efficiency in CID • Savings of £1.2million over 5 years predicted – the project has already secured these savings in years 1 and 2. • 14% improvement in efficiency in response with savings of £695k predicted in the business case expected to be exceeded • Statistically significant rise in sanctioned detections (from 24-26%) • Increase in response rates to grade 1 and grade 2 incidents within the target time • Measured improvement in customer satisfaction |

Sources: Police Professional, *Engineering Efficiencies*, 20 June 2010; Audit commission review of QUEST; Deloitte *National Workforce Modernisation Programme: Evaluation of the Demonstration sites*, March 2010.

On the basis of these benchmarks, we are confident that the major review has the potential to deliver more than the required 5% of savings.

Areas of operation which should deliver savings

| Broad cost reduction theme | Examples | Expected impact | Comparators |
|---|---|--|--|
| Streamlining processes | <ul style="list-style-type: none"> • Criminal justice processes inc including interface with Honorary Police (potential savings c£500k) • Paperwork required for case files • Back office processes • Custody processes | ~2% | Our work with NPIA and a large metropolitan police force demonstrated that significant reductions in budget can be achieved by streamlining processes (NPIA ~13% of budget in scope; Large Force ~50% savings, although at least half of this was from reduction in estate costs). A 2% target should be well within reach. |
| Reducing duplication between SOJP and JCIS | <ul style="list-style-type: none"> • Build upon acknowledged duplication in areas such as drugs detection and intelligence, borders policing, prosecution file handling etc. • Single custody site • Rationalise back office functions | ~2% | Our work with a small rural police force delivered savings of 13% on the spend on back office functions (HR, Procurement, Finance, Admin etc.) through streamlining processes and reducing duplication between activities performed in the centre and out in the local policing sectors and stations. Again, 2% should be more than achievable. |
| Workforce modernisation | <ul style="list-style-type: none"> • Partially warranted officers replacing fully warranted offices • Reducing presence at the airport (through creation of new roles that combine SOJP and JCIS activities) • Civilianisation of some activities (not to be confused with civilianisation of roles – e.g. civilian investigators) | ~1% | Workforce modernisation has demonstrated that it can deliver significant savings, well in excess of 10% of the budget in scope. However, it is clear that the larger the force the greater the opportunities for workforce modernisation to deliver savings through economies of scale. A 1% savings is modest and quite likely to be linked to the streamlining processes outcomes. |
| Changing current service delivery activities | <ul style="list-style-type: none"> • Introduce fixed penalty notices • Reduce focus on minor offences and therefore reduce number of rapid response calls and replace with daytime appointments • Redefining key policing strategy to focus of key areas e.g public protection, anti-social behaviour, focus on serious crime & offenders causing most harm to the community | More likely to create additional capacity for focusing on new priorities | Difficult to benchmark, but a change in the activities that are delivered should result in extra capacity. It may be that these activities are a feed into the other three areas. |

Proposal for a major review of the law enforcement and public protection services

The major review into the 'modernisation of law enforcement and policing' as planned for the CSR was deemed too complex to complete within the CSR timescales. As such, it has been agreed to develop a detailed requirement for a major review to evaluate and establish a new single law enforcement and public protection service – this will be used by soj to plan approach....

1.1. Introduction

The evolution of crime in the last 10-20 years is bringing new challenges to all law enforcement agencies. Criminals and their activities have increased in sophistication. Their ability to travel and communicate across the globe with relative ease means that all nations and jurisdictions are influenced by their activities and as such have an international role to play in law enforcement. With its position as a pre-eminent financial centre within the global economy, Jersey presents a law enforcement landscape that is highly diverse, requiring the ability to investigate complex international financial offences, whilst at the same time policing a relatively benign and peaceful local population, albeit one that is blighted by the same instances of anti-social and alcohol-influenced disorder experienced across the British Isles. Jersey therefore requires a police, customs and immigration services that understand these changing demands, are agile enough to change itself to meet these demands, but are sufficiently resilient to effectively respond to a major incident upon the island.

This section outlines what we believe is a realistic requirement for a major review into law enforcement services on Jersey.

1.2. Objective statement

We believe the objective of the major review should be:

To increase the capacity, capability and resilience of Jersey's law enforcement and public protection service, enabling it to maintain delivered outcomes whilst operating with a significantly reduced budget from 2013.

In doing so, the major review should:

- in the first instance, to evaluate the establishment in 2013 of a new law enforcement and public protection service;
- identify how this service can deliver minimum savings of £1.5million;
- ensure that operational outcomes are at least maintained at 2010 levels;
- identify how to remove any duplication of effort and other inefficient practices;
- create a flexible, resilient and agile organisation focussed on meeting the needs of the people of Jersey in 2013 and beyond.

1.3. Rationale

The review presents a significant strategic opportunity for the States of Jersey, but it is not a trivial exercise and is not without risk. It is therefore essential that a clear and realistic rationale is established that articulates the case for change.

It is our opinion that this rationale should be based upon the following factors:

- It is evident that the provision all public services provided by the States of Jersey will need to operate within budgets that are less than those presently in place. A comprehensive

review of policing, customs and immigration services, will ensure that any savings identified are based upon through evidence and analysis. Furthermore, the option of creating a single organisation has the potential to leverage economies of scale that would otherwise not be available to JCIS and SOJP as individual organisations.

- At the same time, pressure will be placed upon these services to at least maintain, if not improve the levels of service delivered and outcomes achieved. The clear way to achieve this is to ensure that service delivery is not wasteful. A detailed review of operational processes should help with the identification and removal of inefficient practices (many of which will not be evident). Typical types of waste within service organisations include:
 - duplication of effort;
 - unnecessary movement (e.g. journeys performed by warranted officers that could be undertaken by other staff);
 - poor or unclear communication;
 - redoing activities that were not performed effectively in the first place;
 - unnecessary activities that add no value;
 - delays waiting for people, information or materials;
- It was acknowledged in the introduction that the nature of criminal activity has evolved over the last 10-20 years. It is probable that the pace of change will not slow down over the coming years and the law enforcement services must be sufficiently agile and resilient to respond to the changing demands on their operations.

1.4. *Core principles*

The major review will not be straight forward and it is expected that it will meet resistance from some critical stakeholders. In order to mitigate this resistance we would propose that the major review is established with some core principles that guide how the review is conducted. These will need to be agreed by all of the main stakeholders from the outset and used to arbitrate if/when differences of opinion prevail.

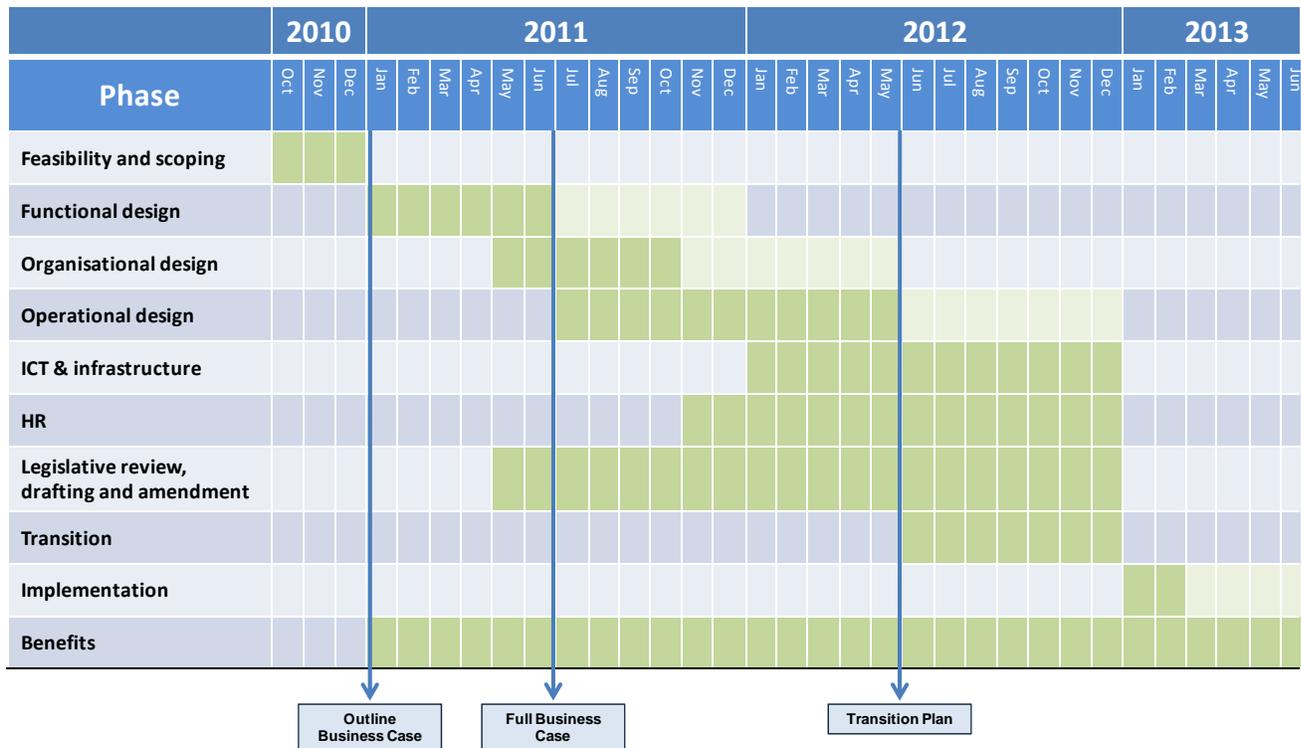
We would propose the following principles for consideration:

1. The design of the new services should be based upon the present needs of the people and state of Jersey. These needs can only be established by consulting with the main stakeholders, including but not limited to the organisations involved (SOJP & JCIS), state assembly members, public representatives, the court service and other criminal justice organisations.
2. Staff must be fully consulted throughout the review and their employment rights respected accordingly.
3. There are no sacred cows within any of the present services.
4. Equally, this review is not about change for change's sake.
5. The review should not be constrained by:
 - a. current organisational structures;
 - b. the current structure of powers available to police, customs and immigration officers;
 - c. current infrastructure (including ICT and estates);
 - d. current legislation;
6. The functional structure of the organisation (i.e. what it does) should be determined before the organisational structure of the organisations (i.e. who does it).
7. The service that is delivered must maintain or improve upon current outcomes.

8. An infrastructure for continuous improvement should be embedded within the organisations, ensuring that the service can evolve to meet the changing needs of the state of Jersey.
9. The major review must be properly managed, working within realistic timescales and with an appropriate amount of resource working within the project team.

1.5. *Delivery plan*

The following chart presents a high level delivery plan for the major review. It is based on the assumption that the review will commence in October 2010 and that the new organisation will 'go live' at the start of 2013.



The critical path in this delivery plan is to be ready for submission of legislative amendments by October 2011.

This is why the initial focus is on the functional design of the organisation, so that any potential changes to functions can be identified and any associated legislation can be reviewed, redesigned and amended if necessary.

The following table provide a high level overview of each phase of work.

It should be noted that the peer reviewer is not an expert in HR or legal activities, so the information provided is highly indicative and would need to be further developed with support from experts in these areas.

Overview of delivery plan activities

| Phase | Objectives | Key activities | Outputs |
|--------------------------------|--|---|--|
| Feasibility and scoping | <ul style="list-style-type: none"> • To determine the feasibility of the major review by: <ul style="list-style-type: none"> • Developing options for the future of law enforcement services on Jersey. • Evaluating these options against agreed feasibility criteria, including potential costs savings. • To identify a preferred option that will be the scope for the remainder of the major review. | <ul style="list-style-type: none"> • Establish feasibility criteria • Gather organisational, operational and performance data and information. • Develop a short-list of options for the future of the law enforcement services. • Establish a baseline of the existing capability and associated costs and benefits against which the options will be tested. • Develop risk statements for each option. • Conduct high level options appraisal, probably through the use of targeted workshops. • All of this is underpinned by broad stakeholder engagement | <ul style="list-style-type: none"> • Project Initiation Document • Communications plan • Outline Business Case (OBC), that details the scope of the major review that will be developed into a Full Business Case (FBC) |
| Functional design | <ul style="list-style-type: none"> • To develop a clear set of required outcomes that the service will need to deliver. • To determine the functional structure for the service that will meet these requirements. • To identify any changes to operational powers that would be required to meet these functional requirements. | <ul style="list-style-type: none"> • Identification of outcomes required • High level process mapping of the services currently delivering these outcomes • Mapping of current powers required to deliver these activities • Development of high level functions that will be required to deliver these outcomes in the future • Create a model how these functions will align with each other • Determination of the powers that each of those functions will require | <ul style="list-style-type: none"> • Full Business Case (v1), including functional model |
| Organisational design | <ul style="list-style-type: none"> • To develop the organisational structure of the service(s) that will be in following transition. • This will include a clear articulation of responsibilities and accountabilities within the service(s) | <ul style="list-style-type: none"> • A review of current organisational structures and ranks within those structures • Determine roles, responsibilities and governance structures that are required to make the functional model operate, identifying where new roles may be required • Create an organisational model that will deliver the functional model • Based upon the analysis conducted in the Operational design phase, identify volumes of staff required in each role and therefore the associated cost model | <ul style="list-style-type: none"> • Full Business Case (v2), including organisational model and cost model |

Appendix E

| Phase | Objectives | Key activities | Outputs |
|---|---|---|--|
| Operational design | <ul style="list-style-type: none"> To design the service delivery processes To design operational support processes To determine pragmatic Key Performance Indicators for the services and develop tools to report these | <ul style="list-style-type: none"> Map current operational processes, identifying waste and inefficiencies Develop future state process maps that minimise waste Using the timings associated with current processes develop volumetric models that predict the resources required to deliver each core process Identify the training that will be required to deliver these new processes (this will be informed by the organisational design) Determine key performance metrics and develop performance management tools where appropriate | <ul style="list-style-type: none"> Service delivery model Process maps Training needs analysis Performance management tools (as required) |
| ICT & infrastructure | <ul style="list-style-type: none"> To ensure that the service(s) makes the best use of existing infrastructure. Where this infrastructure is inadequate or not cost effective, to identify and implement effective alternatives (from a cost and performance perspective) | <ul style="list-style-type: none"> Identify any changes in infrastructure requirements including premises, service solutions, and ICT systems Source changes to infrastructure as appropriate Bring infrastructure online as necessary, including rigorous testing of any new/updated systems. | <ul style="list-style-type: none"> Report into ICT and infrastructure requirements, identifying gaps and developing costed proposals to close those gaps |
| HR | <ul style="list-style-type: none"> To identify and manage all of the people-related issues and changes associated with the review To ensure that any disruption to people associated with the introduction of a new service is minimised If necessary, to ensure that any redundancies associated with the implementation of the new service are managed appropriately and in line with appropriate HR legislation | <ul style="list-style-type: none"> Refine organisational design from the business case, including development of detailed role and job descriptions Identify how the present workforces align with new structure and map individuals to the new structure Recruit where necessary Establish HR processes to enable recruitment and transition, including induction and training Development of training and skills transfer strategy and delivery of training to identified staff across the service(s) Conduct skills assessment and develop individual training plans Identification and implementation of individual training and skills transfer plans | <ul style="list-style-type: none"> Job descriptions Recruitment plan Training plan Manage delivery of training |
| Legislative review, drafting and amendment | <ul style="list-style-type: none"> To identify whether current legislation would support the functional design of the service(s) Where it is inadequate, to design and table appropriate changes to legislation To ensure that this legislation is in place before the service is implemented | <ul style="list-style-type: none"> Use the analysis from the functional design to conduct a review on where current legislation will need to be changed Drafting of new legislation Passing of legislation through States assembly (and Westminster?) | <ul style="list-style-type: none"> Understanding of legislative changes required to support the functional model (informed by the Functional design phase) Redrafted legislation |

Appendix E

| Phase | Objectives | Key activities | Outputs |
|-----------------------|--|--|--|
| Transition | <ul style="list-style-type: none"> Ensure a smooth transition of staff, infrastructure and services from existing organisations and functions to the new service(s) Ensure that services will operate effectively, efficiently and deliver the outcomes that is expected Enable the service(s) to begin operation within the desired timescales subject to any internal or external constraints | <ul style="list-style-type: none"> At this stage the design activities will have concluded, so the key activity in transition will be to manage any pre-implementation activities that are required | <ul style="list-style-type: none"> Implementation plan |
| Implementation | <ul style="list-style-type: none"> To manage the implementation of the new service(s), whether they launch on a single day or are phased over a reasonable period Decommission existing services as and when appropriate | <ul style="list-style-type: none"> The options for implementing the new service are to migrate across a defined period of time or to go live on a single day The key activities will be determined by the preceding phases of work | <ul style="list-style-type: none"> A new service(s) |
| Benefits | <ul style="list-style-type: none"> To develop a benefits framework, including benefits definition, measures, targets and ownership framework To develop and embed – if necessary – benefits tracking tools to be used on an ongoing basis | <ul style="list-style-type: none"> Develop benefits framework, including benefits definition, measures, targets and ownership framework. Build benefits management tools (if necessary) | <ul style="list-style-type: none"> Benefits framework Benefits management tools (if necessary) |

The review will clearly need to draw on appropriate expertise in – amongst others - HR, legal, ICT and estates.

We recommend that the core team is a blend of independent expertise⁸ and full-time secondees from JCIS and SOJP. Broadly, we would recommend that the roles are filled by individuals with the following level of experience:

1.6. **Risks**

The following table presents a series of risks we have identified for the review and how we would mitigate against these risks.

Overview of the delivery risks

| Risk | Mitigations |
|--|--|
| The Acting Chief of Police will be leaving at the end of 2010. This could have the potential to undermine the delivery of the proposals. | The selection process for the new Chief of Police should be mindful that the major review is in the pipeline and should ensure that the selection process tests the applicants appetite to deliver the review. |

⁸ It was discussed at the steering group that the project should be led by an individual who is independent of JCIS and SOJP.

| Risk | Mitigations |
|--|---|
| <p>There is a shortage of capacity and capability within SOJP to manage the programme of work required to deliver the savings</p> | <p>The States of Jersey need to identify the capacity and capability within each department to manage the delivery of the CSR proposals. Where there is a shortfall, the States should source appropriate capability for the period of CSR proposals.</p> |
| <p>The timescales for the major review are very tight, especially to get amendments to legislation identified and drafted prior to October 2011.</p> | <p>The review should commence as soon as practically possible. The review team should focus on those activities required be completed in order to draft new legislation, even if this means compromising the overall approach to the programme.</p> |
| <p>Willingness of SOJP and especially JCIS to positively engage with the major review</p> | <p>The core principles proposed should be used as a clear message that this review is intended to be a positive process with the outcomes delivered to the people of Jersey at its forefront.</p> |
| <p>As one of the more high profile plans under CSR this review may be used as a political 'football'</p> | <p>As above</p> |
| <p>Both JCIS and SOJP are small organisations and seconding out a senior member of the organisation could have an large impact</p> | <p>Selection of the right individuals for these roles must take into account the impact that their long term secondment will have on the service. Each service should be provided with funding to backfill the posts that are affected.</p> |
| | |

Activities that are duplicated between JCIS and SOJP

| Activity |
|--|
| 1. Serious Organised Crime Investigation (SOCI) |
| 2. SOCI intelligence gathering and management |
| 3. Border controls (Special Branch and Frontiers) |
| 4. Use of drugs dogs |
| 5. Surveillance |
| 6. Covert Human Intelligence Sources (CHIS) management |
| 7. Crime analysis |
| 8. Covert equipment and deployment |
| 9. Financial investigation |
| 10. Communications data acquisition |
| 11. Scenes of Crime Officers (SOCO) |
| 12. Custody |
| 13. Criminal Justice Unit |
| 14. Covert training |
| 15. IT systems management |

Source: Draft report into eliminating duplication between JCIS and SOJP

A common framework to evaluate the opportunities for eliminating duplication, by testing each area against the following questions:

- Would the merger of this area result in improved results or performance?
- What are the potential cost benefits of such a merger?
- What are the potential resource benefits of such a merger?
- What are the potential difficulties of such a merger?
- What are the legal and legislative issues associated with a merger?
- Would the potential differences in procedures be an obstacle?

PRISON – KEY COST DRIVERS

The key cost drivers for the Prison relate to:

- Staff
Analysis of the accounts for 2009 and 2010 indicate that the most significant cost driver is staff costs which account for approximately 80% of total budget for the Prison. The savings plan proposes an amalgamation of current prison officer and operations group grades. This may provide for more efficiency and improved job satisfaction.
- Utilities
Engineering is the largest cost driver within non staff costs accounting for approx 32% of this budget. The most significant elements of this cost is for electricity and heating oil both of which are expected to exceed their 2010 budgets by 25% and 20% respectively. It is unlikely that alone the Prison would be able to negotiate improved financial terms with providers.
- Education
The majority of proposed financial savings identified are aimed at reducing the costs of the education and rehabilitation budget however these are unlikely to have an impact on the Prison Officer pay as the savings identified will have limited impact on those costs.
The planned reduction of the education and activities will go against one of the key findings of the latest HM Chief Inspector of Prisons report (2005), which stated 'there was very little in the way of education or training, to try to provide prisoners with the skills they might need to gain employment on release, and to reduce the likelihood of re-offending⁹'.
- Reduction in overseas population
The Prison has identified that 40% of the population is made up of foreign nationals. The repatriation of these prisoners would reduce the population of the prison and therefore impact on the level of staffing.
Establishing the legislative framework through a Repatriation Act to reduce foreign nationals is unlikely to be a quick process however would have a positive impact for the financial position as well as the prisoner population. This should be viewed as a priority activity.
- Juveniles
One of the biggest savings options is to commit juvenile prisoners to Greenfields. This may be a cost saving for the Prison but for the overall Home Affairs budget this but appears to be a cost transfer rather than a saving.

⁹ Page 5 Report on an announced inspection of La Moye Prison, Jersey; 27 June 0 1 July 2005 by HM Chief Inspector of Prisons.