



Cambridgeshire
Police & Crime
Commissioner

To: Business Co-ordination Board

From: Chief Executive Officer

Date: 16 December 2015

INNOVATION FUND BIDS REVIEW

1. Introduction

1.1 This report provides further information to the Business Co-ordination Board (the "Board") on the Innovation Fund bids that the Finance Sub Group (the "FSG") agreed to support and strengthen at its meeting on 29 October 2015 and subsequently reviewed at its meeting on 26 November 2015, and also one further bid that has been received since that date.

2. Recommendation

2.1 The Board is recommended to approve the Innovation Fund bids to enable the Police and Crime Commissioner (the "Commissioner") and the Commissioner's Director of Finance to sign the bids as follows:

- Cambs EOI number 80: 'Roll out of evidence-based approach to conditional pre-trial diversion within the context of devolution in Cambridgeshire'
- Cambs EOI number 97: 'Beds, Cambs and Herts strategic alliance delivery of an integrated multi-force finance/human resources system'
- Herts EOI number 65: 'Delivery of an integrated multi-force customer relationship management system as an enabler of the wider innovative collaboration through shared process, intelligent call-handling and self-service'
- Bedfordshire (Eastern Regions Special Operations Unit ("ERSOU")) EOI number 23: 'Eastern Region Integrated CAB/SPOC/AO Workflow'
- The bid for support of the 7 Force Strategic Collaboration Programme

2.2 The Commissioner signs the Decision Notice to sign the Innovation Fund bids.

3. Background

- 3.1 The Home Office launched the Expressions of Interest (“EOI”) stage for the Police Innovation Fund 2016/17 on 1 September 2015. An Expression of Interest is an opportunity for Forces/PCCs to make known those ideas which they thought, at that stage, could be worked up into a formal bid to the Police Innovation Fund 2016/17 when the window opened in December 2015. The Home Office is looking to support ‘proof-of-concept bids’ as well as ‘implementation-ready bids’.
- 3.2 Bids were submitted by the deadline of 18 September and feedback received from the Home Office on 20 October 2015.
- 3.3 At its meeting on 29 October 2015, FSG agreed to support and strengthen the following bids:
- Cambs EOI Number 22: ‘A common site security system that is fit for the future, meeting the operational needs of any given facility at any time while reducing the fiscal footprint’. This bid was subsequently withdrawn and passed to the Collaboration Team to implement as a slower-time project.
 - Cambs EOI number 80: ‘Roll out of evidence-based approach to conditional pre-trial diversion within the context of devolution in Cambridgeshire’
 - Cambs EOI number 97: ‘Beds, Cambs and Herts strategic alliance delivery of an integrated multi-force finance/human resources system’
 - Herts EOI number 65: ‘Delivery of an integrated multi-force customer relationship management system as an enabler of the wider innovative collaboration through shared process, intelligent call-handling and self-service’
- 3.4 These EOIs were submitted to the Home Office; the Home Office subsequently supplied feedback on each specific EOI and provided generic feedback applying to all EOIs. This feedback was then incorporated into the bids.
- 3.5 At its meeting on 26 November 2015, FSG considered the following additional bid:
- Bedfordshire (Eastern Regions Special Operations Unit (“ERSOU”)) EOI number 23: ‘Eastern Region Integrated CAB/SPOC/AO Workflow’
- 3.6 A further bid in support of the 7 Force Strategic Collaboration Programme was notified to the PCC on 9 December 2015 and is currently being worked up. Brief details of this bid are shown below and the full bid will be presented as a late Board paper or tabled at the Board meeting, depending on when it becomes available.
- 3.7 The final deadline for bids into the Innovation Fund is 5pm on 18 December 2015.
- 3.8 The National Police Volunteer Cadet (“NPVC”) team have also made a bid into the Innovation Fund; the Commissioner wrote a letter of support to the NPVC Office Manager on 9 December 2015; no further action is required in respect of this bid.

4. Expression of Interest Number 80: ‘Roll out of evidence-based approach to conditional pre-trial diversion within the context of devolution in Cambridgeshire’

- 4.1 Summary: An integrated, multi-agency offender pathway will be established with appropriate escalatory processes to ensure that the causes of early offending behaviour can be tackled effectively as early as possible. Rather than entering a 'revolving' door of offending, the root causes of an individual's offending behaviour will be addressed, while holding over the prospect of prosecution to ensure compliance.
- 4.2 When early offending behaviour comes to the attention of agencies, whether police or other agencies, the offender can be held to account for their behaviour. At the same time, the causes can be addressed rather than waiting for the problems to escalate and require more costly interventions. In addition to out of court disposal routes, where an individual meets the appropriate criteria, including a prosecutable offence which would be unlikely to attract a custodial sentence, the prosecution will be held over on condition of complying with conditions. If these are not met the prosecution will continue.
- 4.3 A virtual "hub" will be established. A small co-ordination point will co-ordinate the roll out of an integrated, multi-agency offender pathway and monitor the implementation of the diversion scheme. A coordinated response to need will ensure the delivery of more appropriate interventions by fewer agencies, where previously many organisations may have acted independently, often duplicating services and giving conflicting advice and assistance. Key to this delivery is putting the needs of individuals at the heart of every decision and working together to deliver this in the most effective way.
- 4.4 We will use our experience and learning from our effective approach to restorative justice, the victims' hub, out of court disposals and our Multi-agency Safeguarding Hub to roll out this multiagency integrated approach. This will be informed by the evidence base from the Operation Turning Point randomised control trial which demonstrates the impact on cost effectiveness of a pre-trial diversion scheme. We will also use evidence from Project CARA and the Choices and Consequences Programme.
- 4.5 This project will not work in isolation. It is part of a wider devolution proposal. It will be implemented over two years. The objective over those two years will be to drive sustainability to develop the integrated pathways and working practices which enable the system to work more effectively as a whole after this period.
- 4.6 The project will focus on three key outcomes in terms of reducing reoffending:
- Reducing the number of offenders
 - Reducing reoffending
 - Reducing demand and costs associated with reoffending.
- 4.7 This is an implementation-ready bid. Benefits include:
- Multi-agency working to ensure conditions for pre-trial diversion that are more consistently matched to offending pathways and victims' need
 - Savings from court processes (early findings from the randomised control trial in the West Midlands show savings of £1000 per case), and longer-term savings across agencies

- Increased victim satisfaction (early findings from the randomised control trial in the West Midlands show victims are more likely to think what happened in their case is going to stop the offender from doing it again)
- More offenders brought to justice
- Reducing police time spent on issues they are not trained for, ensuring that the issues causing offending behaviour are tackled by the most appropriate agency
- Reducing demand across all services.

4.8 Key financial highlights comprise:

- The total cost to deliver the proposal for 2016/17 is £933k, rising to £977k in 2017/18 and then falling to £823k from 2018/19 to 2020/21. These costs are forecasts pending receipt and analysis of the Commissioner's grant settlement for 2016-17 and beyond.
- Efficiency savings of £1.8m per year are expected from 2017/18 onwards

5. Expression of Interest Number 97: 'Beds, Cambs and Herts strategic alliance delivery of an integrated multi-force finance/human resources system'

5.1 Summary: The proposed solution is an integrated ERP providing a single platform to support agreed single processes across all related back office functions. To achieve the savings identified within the Full Business Case for HR, L&D and the Occupational Health Unit the system will need to be fully operational during the 3rd quarter of 2017/18.

5.2 The requirements for the proposed solution are METIS compliant and therefore have been through a process where existing ways of working have been reimaged to reflect an operating environment where our workforce are enabled with mobile technology, operating within the principles of agile working in both collaborated and none collaborated teams. The solution will provide a single interface to Athena and tuServ in support of frontline operational policing. Against this background of transformation, and what we know about the ability of ERP technology and its architecture to drive out efficiency, we are confident that the proposed solution will transform service delivery within organisational support functions realising significant cashable savings. The self-service portal will transform how our workforce operate introducing a degree of self-sufficiency not possible within our current architecture.

5.3 The proposal has also been widened to directly cover Client Relationship Management and the Occupational Health Unit, which will result in a full integrated end to end solution, providing real time information. The solution will now be internally hosted as an integrated part of the BCH ICT strategy which is acknowledged as being a lead collaborated partnership at the forefront of digitally enabled technology supporting frontline policing and providing a better service to the public.

5.4 The benefits from implementation of an ERP solution range from the removal of multiple keying of data, to access to real time data and reporting. To example this, the ability to link officer deployable skills to real time deployment will enable us to deploy

the right officer, to the right place, at the right time, improving service on the frontline to members of the public.

- 5.5 This is an implementation-ready bid. Key financial highlights comprise:
- The estimated cost to deliver the proposal in 2016/17 is £4m (including capital expenditure of £2.4m), falling to £444k resource cost thereafter
 - Potential sustainable savings per annum are estimated at over £5m according to the EOI; bid figures are currently being prepared.

- 5.6 It was agreed at the FSG meeting on 26 November 2015 that costing of incidents and analysis of crime types, and the timing of the assurance review, would be discussed with the project team. This took place at the Organisational Support Governance Board meeting on 30 November 2015.

6. Expression of Interest Number 65: 'Delivery of an integrated multi-force customer relationship management system as an enabler of the wider innovative collaboration through shared process, intelligent call-handling and self-service'

- 6.1 Summary: The collaboration between Bedfordshire, Cambridgeshire and Hertfordshire (BCH) has the objectives of improving efficiency, reducing the revenue budget, while maintaining or improving service. Technological enablement has been a cornerstone of delivering this.

- 6.2 Introducing a multi-force Customer Relationship Management System will specifically enable the following outcomes, linked to the collaborative objectives:

- Increase the operational hours available for use.
- Reduce organisational risk by early identification, intervention and assessment.
- Increased sharing of information, both within and outside the organisation.

- 6.3 These will deliver efficiencies of time and money savings, and improve service to the public by having greater data immediately available at first point of contact with the potential to expand to all parts of the customer journey.

- 6.4 This is a proof-of-concept bid. Key financial highlights are being prepared for the bid; the figures supplied in the EOI comprised:

- The estimated total cost to deliver the proposal is £2.4m
- Potential sustainable savings per annum are estimated at £0.6m per year from 2017/18
- £1.2m is likely to be sought from the Innovation Fund

7. Bedfordshire (Eastern Regions Special Operations Unit ("ERSOU")) EOI number 23: 'Eastern Region Integrated CAB/SPOC/AO Workflow Solution'

- 7.1 Summary: Bedfordshire, Cambridgeshire and Hertfordshire currently have small separate teams of staff delivering the Covert Authorities Bureau ("CAB")/ Telecoms Single Point Of Contact ("SPOC") service and dedicated Authorising Officers. Norfolk/Suffolk have collaborated to deliver this capability but still have team

delivering the CAB/SPOC service in both forces. Beds, Cambs and Norfolk/Suffolk use a standalone workflow solution supplied by Charter Systems Ltd whilst Herts use an alternative product for telecoms data acquisition and a paper system within their CAB. The current arrangements restrict capability and capacity with each team providing 24/7 cover through on call arrangements that offer little or no resilience.

- 7.2 The acquisition and introduction of a fully integrated workflow solution would enable the brigading of resource through a collaborative regional model delivering cashable efficiencies whilst increasing capacity, capability and resilience. Charter Systems can provide the integrated workflow solution and its products are already used by many forces and LEA's on a standalone basis. The regional Chief Constables support the concept of a regional CAB/SPOC and AO capability but the current individual force workflow arrangements prevent this.
- 7.3 Essex (Eastern Region) currently collaborates with Kent (South East Region) to deliver the CAB/SPOC/AO function through their Serious Crime Directorate arrangements. Both forces are working with the Eastern Region ROCU (ERSOU) to exploit collaborative opportunities on a number of serious and organised crime capabilities and will shortly be accessing all Confidential Unit services through ERSOU. Both forces have indicated their preference to collaborate with the other Eastern Region forces in the delivery of the CAB/SPOC/AO function if an integrated workflow solution is adopted across the 7 forces.
- 7.4 A 7 force collaborative model would deliver significant efficiencies whilst increasing capacity, capability and resilience.
- 7.5 This is an implementation-ready bid. Capital costs are estimated as £918k in 2016/17 with resource costs estimated at £231k; no further costs are expected in later years. Savings of £407k are predicted in 2016/17.
- 7.6 FSG requested a breakdown of the costs before a decision could be made. This information and the final draft bid have now been received.

8. Bid for support of the 7 Force Strategic Collaboration Programme

- 8.1 Summary: To drive out more savings/efficiencies that can be used by each force to sustain public service delivery and/or invest in changing policing demand e.g. the hidden harm agenda, cybercrime, fraud.
- 8.2 The current projected target savings to be achieved through local savings and this programme are £220m. Within the 7 forces, substantial successful collaboration already exists between the trio of Bedfordshire, Cambridgeshire and Hertfordshire, plus two pairings of Norfolk & Suffolk and Essex & Kent.
- 8.3 The 7 forces are also introducing the same core policing IT system of Athena: a fully integrated single policing database incorporating the key policing functions of: intelligence, investigation, custody & case preparation. Athena will be implemented across all 7 by November 2016. With Athena in place, providing instant cross border data access, this consortium of forces is uniquely placed in the UK to move to the next level of IT enabled cross border efficiency and effectiveness and ideally placed to test

the concept that, even in a post-collaborated environment, significant savings can still be made.

8.4 There are a number of challenges that are evident from our previous experience of the existing smaller scale collaborations and these are multiplied with the additional scale and complexity e.g:

- Savings/benefits – significant savings have already been driven out so we need to establish whether through harmonisation of our processes, alignment of ICT, single procurement, further economies of scale, reduced application purchases (and subsequent annual costs), reduced duplication in training, that the savings are actually worth the development and implementation costs.
- Flexibility – a one size fits all approach will not work given the differing starting positions and needs/risks for each force. Our model will have to enable some degree of flexibility with regard to what works for each force / PCC.
- Governance – with 7 Chief Constables and 7 PCCs, identifying a suitable arrangement that provides rigour and fulfilment of statutory “holding to account” duties, but is practical and agile enough to be manageable.
- Competitive model – we need to identify an approach to transforming our services that will drive efficiency by enabling additional scale through other forces’ “on boarding” which will only be achieved if the services provided are competitive.
- Scalability – if we can demonstrate that better value for money is still possible in a post local collaborative environment, our model will become scalable and transferable

8.5 The programme will develop business cases based on the Treasury Business Case Model, across the full range of functional areas (with the exception of local policing). On a case by case basis it will be determined whether, in the light of existing positions, structural collaboration/merging of the function will deliver required savings or whether there is greater net benefit in the harmonisation and standardisation of key processes based upon a reduced number of systems. Some of the functions to be reviewed are “enablers” for the 7 forces given the Athena base that we are working from e.g. Procurement, convergence of ICT and Athena related functions will provide benefits of themselves. In reviewing the other functions the type of function (e.g. operational, transactional, and strategic) will determine the nature of the collaborative model proposed.

8.6 The robustness of the Treasury Model approach will enable the 14 Corporations Sole involved to have confidence in the respective benefits of the options presented. This will be supported by the Gateway Review process. Within 12 months the programme will have established whether the challenges identified above can be overcome and the programme can become self-funding and replicable across the country.

8.7 A small team is being assembled to scope the best workstreams and develop potential business cases over the next 5 – 6 months.

8.8 This is a proof-of-concept bid. The team intends to submit the bid for circa £1.4m of which they will request circa £0.7m of bid funding. Further detailed financial analysis

is being prepared with the assistance of Chief Financial Officers across the seven forces, and will be shared when available.

9. Recommendation

9.1 The Board is recommended to approve the Innovation Fund bids to enable the Police and Crime Commissioner (the “Commissioner”) and the Commissioner’s Director of Finance to sign the bids as follows:

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- The bid for support of the 7 Force Strategic Collaboration Programme

9.2 The Commissioner signs the Decision Notice to sign the Innovation Fund bids.

Source Documents	Finance Sub-Group Minutes 29 October 2015 and 26 November 2015
Contact Officer	Josie Gowler Chief Finance Officer, Office of the Police and Crime Commissioner