

The benefits of bespoke benchmarking

Customer case study

James Payne, Chief Executive Officer at Office of the Police & Crime Commissioner for Hampshire, Isle of Wight, Portsmouth and Southampton, spoke at the Achieving Finance Excellence in Policing CFO Retreat earlier this year. James discussed how forces throughout the UK saved £20m assisted by information from the National Police Estates Group's benchmarking tool, provided by CIPFA.

We asked **Sallie Blanks**, NPEG Co-ordinator, for more details.

Hi Sallie. Tell us about the structure of NPEG.

The National Police Estates Group (NPEG) has been running for over 20 years. It arose from a sense that estates departments in forces throughout the UK were experiencing the same problems, but there was no mechanism in place to share best practice and deliver connected solutions. The NPEG's mission is to support the best operational policing through the delivery of the most appropriate estate in support. There are two annual conferences which offer great networking opportunities to the police sector across the UK.

How does the CIPFA bespoke benchmarking tool work?

The bespoke benchmarking tool has been designed specifically for UK police forces. The benchmarking group agrees a number of parameters that are measured on an annual basis – energy usage, floor area, number of buildings, workspace per person, how much waste produced, what they recycle, costs and rents. This information is provided by members that have opted to participate in the benchmarking exercise, the cost of which is in addition to standard NPEG membership fees.

The individual forces that have opted to participate in the benchmarking exercise receive two CIPFA generated reports: one which provides information on their home estate (ie which buildings are the most energy efficient, where is most waste generated etc) and a national comparative report which compares their usage/costs with the other participating forces. Forces then use the report to review their own



National Police Estates Group

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Sallie Blanks
NPEG
Co-ordinator

performance against the others in the study. It helps them consider what could be procured better – cleaning costs, for example – and to consider opportunities for efficiencies. The scope of the benchmarking exercise is increasing as we test other parameters that are valuable to our members.

Why are the report findings and insights especially helpful to forces?

The data enables forces to track performance year on year. Cost and usage can be compared and reasons for anomalies considered (eg. one force identified a water leak in a building from the marked increase in water usage shown in the benchmarking study). At a national level, NPEG needs to be able to go back to the National Commercial Board (NCB) and the Home Office and explain key findings and challenges – eg. rates are rising and energy costs are increasing.

The data management and organisation required to complete the benchmarking exercise also brings benefits to individual forces, by imposing a monitoring system. It leads to a greater understanding of ‘where the money goes’ across an individual police force estate, and the wider national police estate.

Can the forces actively use the data to make savings?

In addition to the example above, where we receive notification that a force has made a huge reduction in, say, its waste management, we ask other forces that have had high costs for this service to speak to them to find out what is being done differently. I would expect individual forces to be approaching each other in this regard. We have to tread a line. It has information from all forces – it is confidential to encourage maximum participation. Our aim is not to ‘name and shame’ forces, which would be counter-productive but instead is intended more as a guideline and encouragement.

How did you achieve and evidence the reported £20m savings?

This is where we have a merging of disciplines and the benchmarking exercise supports other estate related functions within police forces. There is a Collaborative Law Enforcement Procurement (CLEP) programme, run by the Home Office, which looks at the procurement of all things police-related. If, through the benchmarking report, a force identifies that, for example, its cleaning costs are £3 per metre squared higher than a neighbouring force, it can seek to procure a better rate or refine their cleaning specification to reduce costs in this area. The savings evidenced show up as the procurement savings purely because the procurement strand will run the contract for the cleaning, so we are able to monitor savings and efficiencies through the CLEP programme.

Other savings can be demonstrated through more efficient buildings – if a force decides to close or sell old inefficient buildings in favour of constructing more environmentally friendly buildings, the savings (often on what the business case was predicated) can be easily identified from the benchmarking exercise.

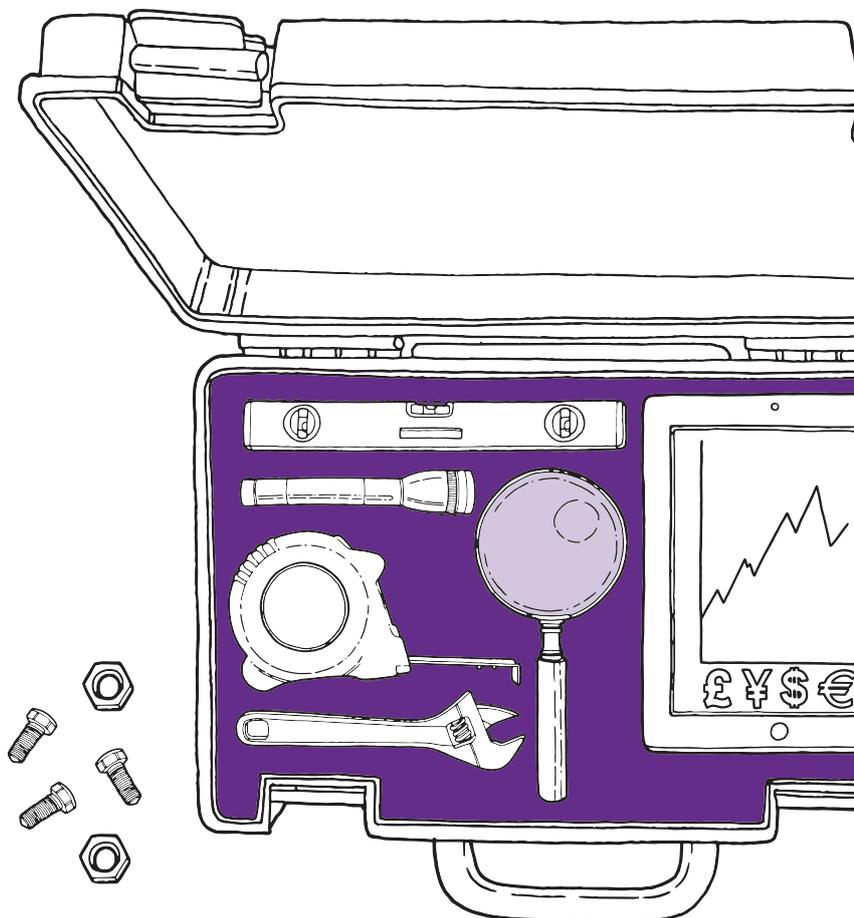
The figure of £20m demonstrates savings from a range of estates related initiatives across the national police estate, some of which are signposted by CIPFA’s benchmarking tool.

Do you actively encourage forces to sign up?

Yes we do speak to the police sector, but we are a voluntary organisation and if we press too hard, we risk alienating them. We are here to benefit our members and therefore we can only advise them of the benefits.

What’s next for the benchmarking tool?

As we develop the benchmarking datasets, we hope that the process will provide more detailed assessment and reviews, particularly in areas where forces are seeing more challenges. As we work together to create more efficient methodologies, we hope to foster a more collaborative approach across the NPEG sub-groups. Since current data is purely quantitative, developing a quantitative section certainly would provide more insight.



About CIPFA analytics for the police sector

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Achieving Finance Excellence in Policing (AFEP) programme

Through the AFEP programme, we:

- Provide access to Police and Fire Network events and workshops
- Deliver financial management via a capability review or an FM Model
- Conduct horizon scans of police, technical and legislative developments in police sector

- Give you online access to the Resource Hub that hosts an array of police sector collateral
- Deliver consistent robust governance
- Supply sector specific comparative data and benchmarking
- Help you progress your career post-qualification through our Leadership Academies stream
- Champion CFO peer support and host an annual CFO Retreat

Additionally we can offer:

- an accounts closedown solution
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