



# Heddlu Gwent Police

**Service Improvement Board:** 20<sup>th</sup> December 2019

**Paper Number:** *[to be Inserted by Programme Team]*

**Paper Type:** Project Initiation Document

**Project Name:** Finance Review

**Project / Work-stream:** Finance

**Project Sponsor:** Nigel Stephens

**Project Lead:** Matthew Coe

**Report Author:** Lauren Gregory

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# 1. Background

## 1.1 Background

This project forms part of the Gwent Police transformational change programme.

The project will include a full review of the business processes within the Finance Department to produce an optimum business model. The review will add to demand analysis work already done with the Purchase 2 Pay and Payroll sections within the Department.

There is a requirement for the Police and Crime Commissioner and the force to ensure value for money through the efficiency, effectiveness and economy of its processes. This is expressed through the Effective Service Delivery objective of the Police and Crime Plan 2017-21 that we will achieve by having effective financial planning and monitoring arrangements in place to ensure value for money and meet local needs. Gwent Police needs to ensure that the mechanisms and processes are in place to support operational policing and demonstrate value for money to wider stakeholders.

The department was last reviewed in 2015 when the department was split into three separate functions - management accounting, financial accounting and purchase & payments – staffed by a team of omni-competent accountants who have varying levels of accounting qualifications.

A post implementation review of the 2015 structure carried out by the previous Head of Finance noted some significant changes since 2015 that adversely impacted on the structure and resources within the department. Following the 2015 review there were reductions to the structure of the team which impacted on the ability of the team to manage demand. The loss of key individuals within a short period of time due to the restructure and secondment opportunities has led to organisation risk with a loss of corporate memory. The organisation's move to a new back office (HR and Finance) at the same time, also had a detrimental impact to effectively perform standard transactional work with a number of design issues and a lack of formal training being provided. Austerity has also placed additional demands and workload on the finance function with the force response being one of centralisation of budget control and placing the onus on the Finance function to retain control of all budget areas.

The previous Head of Finance sought to address the impact of these changes through an interim structure as set out in Appendix D. The aim was to support the team through a period of transition following the loss of significant knowledge and to support additional work required from a change in accounting systems. This interim structure was approved by the Service Improvement Board at its meeting in August 2018.

However, this interim structure was never fully or permanently recruited to, with a number of vacancies and temporary compensating arrangements remaining in place over the last 18 months. In addition, in August 2019 the payroll section moved back from People Services to the Finance Department.

Following the permanent recruitment of a new Head of Finance, the current staff structure within the Finance department is shown in Appendix E.

This review provides an opportunity to carry out a broader review of the Department to ensure the future finance needs of the force and Commissioner remain fit for purpose. The results of this review will be aligned with the separate reviews of purchase & payments and payroll teams that have already been carried out. The opportunities for joint working and collaboration with South Wales Police will also be explored as part of the options appraisal.

### **1.2 Project Benefits and Objectives**

The key objectives and benefits of the review will be to cover the following:

1. Identify where Finance can provide better support and challenge to manage operational delivery and changes by the Force and OPCC;
2. Strengthen arrangements for financial management through improvements in financial reporting, data quality, budgetary control, staff development/skills, and financial performance management;
3. Identify opportunities to improve systems and processes so that Gwent Police can clearly demonstrate value for money through efficiency, effectiveness and economy as set out in the Police & Crime Plan 2017-21; and
4. Identify opportunities for appropriate, collaborative delivery of financial systems, and to realise the benefits of the BW system.

### **1.3 Authority for the Project**

This project will be considered by the Gwent Police Service Improvement Board.

## **2. Project Definition**

### **2.1 Key Deliverables**

The key deliverables for the project will be:

- Project Stage Plan with outline timelines
- The Case for Change
- Options Appraisal that identifies all potential options for change together with an initial assessment of each and recommendation of a Preferred Option(s) for detailed development to inform decisions
- Detailed Business Case that will include
  - The full set of proposals for the developed preferred option selected from the Options Appraisal for Service Improvement Board approval
  - Illustration of the 'as is' structure and budgeted costs, and, of the proposed 'will be' structure and budgeted costs
  - Due diligence sign off for the full costed proposals for future non-pay and pay costs by Gwent Finance

- A draft Implementation Plan
- Project Risk Log
- Project Issues Log
- Project Decisions Log
- Project Highlight / Exception Reports as required by the governance process

## **2.2 Constraints**

The constraints on this project are as follows:

- This review will need to be delivered within the budgetary constraints of the OPCC funding.
- The force will need to achieve the requirements of the CIPFA Financial Management Code of Practice.
- The Finance team will continue to use the BW financial computer system.

## **2.3 Assumptions**

The project is predicated on the following assumptions:

- The force will need to maintain service delivery during any implementation stage;
- External scrutiny will exist from HMIC, Chief Officers, OPCC, internal and external audit;
- Maximisation of all benefits and recurring savings through the end to end process;
- Access to all staff both internal and external to support the base-lining and re-design process;
- That all requirements of the CIPFA Financial Management Code of Practice will be factored into the new model.

## **2.4 In Scope & Exclusions**

Areas that are within the scope of this project are

- All areas within the Finance team with the exception of those noted below, using the interim structure already reviewed and approved by SIB as a starting point.

Areas that are excluded from this project are:

- Procurement to Pay (P2P) team – this section has already been reviewed, resourced separately and is fully recruited.
- Pensions – there is a separate business case for a Pension Hub Officer within Gwent Police in line with the proposal already agreed on an All Wales basis to staff a Pensions Hub that covers all four Welsh forces.

- Payroll team – a separate demand analysis exercise has already been carried out and reported to SIB. We will ensure the outputs from this existing review are aligned with the wider Finance review. One notable development in 2020/21 is the introduction of the Electronic Time Management system that will provide automated payroll calculations and remove manual interventions of the payroll team.

## **2.5 Interfaces**

The other projects and pieces of work that will interface with this project to provide a coherent structure for the Finance department are:

- The work already completed within the P2P team and Payroll team; and
- Work being undertaken by Sian Freeman (Strategic Lead for Southern Wales Police Procurement) to identify a joint collaborative procurement and ordering function for Gwent Police and South Wales Police.
- People Services in terms of the budgeting and management of the establishment.
- Procurement in terms of ensuring compliance with the scheme of delegation, procurement regulations and payment compliance.
- Strategy Performance and Change in terms of supplying costings and financial information for business cases.
- Strategy Performance and Change in terms of identification of savings opportunities, preparation of the organisational savings tracker and reporting to Service Improvement Board.

## **2.6 External Dependencies**

The project is externally dependant on the following:

- OPCC Priorities
- Joint Procurement function review led by Strategic Procurement Lead
- Pension Hub development led by Dyfed Powys Police (on behalf of the All Wales Police Pension Board)
- The introduction of O365 which will enable greater team and partnership working, improving efficiency of the finance function.

## **2.7 Tolerance**

The tolerances for the project are as follows:

- Any matters that do not change project timelines or previously identified project benefits are to be dealt with by the Project Lead.

## **2.8 Costs**

### **Project Costs**

The initial costs for this project are to be confirmed.

### 3. Approach/Process/Execution and Plan

#### 3.1 Approach

#### 3.2 Initial Project Plan/Milestones

Phase	Projected Completion Date
Planning/Scoping	November 2019
PID Production	December 2019
Issue Validation, Opportunities for Improvement & Identification of Options for Options Appraisal	January 2020
Detailed Business Case and Draft Implementation Plan	March 2020

### 4. Project Organisation Structure

#### 4.1 SRO

The Senior Responsible Owner for the Programme is the Deputy Chief Constable.

#### 4.2 Strategic Sponsor

The Strategic Sponsor for the Project is the Assistant Chief Officer – Resources, Nigel Stephens.

#### 4.3 The Review/Project Lead

The Review Lead for the Project is Matthew Coe

#### 4.4 Project Manager

The Project Manager for the project is Lauren Gregory

#### 4.5 The Programme Board

The Programme Board is the Staying Ahead Service Improvement Board.

#### 4.6 Project Board

The Project Board will consist of the following members

Name	Organisation
DCC Blakeman	Gwent Police
Nigel Stephens	Gwent Police
Matthew Coe	Gwent Police



Darren Garwood-Pask	OPCC
Senior HR Business Partner – Siobhan Newman	Gwent Police
TBC	Unison

#### **4.7 Project Team**

The Project Team consists of the following members:

<b>Name</b>	<b>Organisation</b>
Lauren Gregory – Project Manager	Gwent Police
TBC - Project Support	Gwent Police

#### **4.8 Project Filing Structure**

The electronic project files will be kept in the Service Development document library.

The paper project files will be kept to an absolute minimum.

## **5. Communication and Stakeholders**

### **5.1 Communication method**

All Programme and Project communications are under the ‘umbrella’ of a ‘document strategy’ that determined when material is published.

The Communications Department will support Project Leads in identifying key messages for ensuring that officers / staff are appropriately updated about developments.

Note: any communications that relate to potential changes to staff/officers roles, locations, etc must first have had the appropriate consultation with Trade Unions/Staff Associations.

### **5.2 Stakeholders**

The stakeholder map at Appendix A sets out the following:

- a. The identity of the stakeholder;
- b. The nature of the stakeholder’s interest in the project;
- c. The channels through which these requirements will be met;
- d. The timing of such communications.

## **6. Reporting Cycle**

### **6.1 Project Initiation**

The project will formally start when the SRO and Programme Board have approved this project document.

## **6.2 Reporting Periods**

The Team will meet the Project Lead a minimum of weekly

The Project Lead will hold a Project Board calendar monthly

## **6.3 Decision Points**

The following sets out the points when key decisions must be taken:

- PID approval
- Agreement of Options Identified and Selection of Preferred Option(s) for Detailed Development (Options Appraisal)
- Where more than one Option is identified for detailed development, at any point where one of the preferred options is assessed as no longer worth further development
- Where the Detailed Business Case including draft Implementation Plan is ready for approval
- Any point where there are changes to previously identified Benefits

## **6.4 Exception Reporting**

Exception reporting will be carried out by the Project Lead as required in line with the Tolerances set.

## **6.5 Project Issues, Risks & Decisions**

### **Project Issues**

Project issues may be raised by anyone with an interest in the project at any time.

The Project Manager will manage the Issue Log.

### **Project Risks**

The risks relevant to Project are contained in the initial risk log.

### **Project Decisions**

All key decisions will be made through the Programme governance and reporting process. 'Lower level' decisions that are appropriately made at Project Team level will be recorded on a 'Decision Log'.

## **7. End Project Notification**

The project will be formally closed by the SRO when the Board is contented that Implementation has been completed, or, by agreed exception at an earlier point where the Board is satisfied that Implementation is advanced to a stage where it can be completed through 'business as usual'.

## 8. Quality

This project will meet the following quality standards.

The Programme will manage Projects by adopting PRINCE 2 methodology that will be applied as necessary i.e. it will apply the degree of PRINCE 2 as necessitated by the complexity or otherwise of the areas under review.

All Programme Board material will be subject to Quality Assurance process.

Project Teams must use the Service Improvement document templates for PID's, Options Appraisals, Detailed Business Case for Approval to Implement, Highlight / Exception Reports, Risk, Issues and Decisions Logs.

Projects will be documented on MS Project to ensure corporate controls are in place.

### **Note: Quality Criteria**

When assessing the fitness for purpose the following criteria should be considered

- Does the document accurately reflect the project?
- Is the project viable, achievable and in line with strategy?
- Is the Organisation Structure complete, with agreed appointees and job descriptions for all roles?
- Are the reporting lines, lines of authority and direction lines clear and workable?
- Is the project approach realistic and achievable?
- Are the timescales consistent with the business objectives?
- Does the order of activities within the plan reflect the list of prioritised requirements?
- Does the plan reflect the need to address areas of risk at appropriate times?
- Will the necessary resource time be available when required?
- When any pilot work is to be used, is this feasible within the expected environment?

Quality Assured by: For Joint Audit Committee

Date: 3 December 2019

## Appendix A: Stakeholder Map

Key to Relationship Column:

**A:** Role is Affected/Changed by Programme, or Programme contributes to success of external organisation or project.

**B1:** Directly Benefits from the Programme

**B2:** Indirectly Benefits from the Programme

**C1:** Directly Contributes to the Programme

**C2:** Indirectly Contributes to the Programme

<i>Stakeholder</i>	<i>Interest</i>	<i>Relationship</i>	<i>Notes</i>	<i>Channel</i>	<i>Timing</i>
OPCC	Strategic	Police Commissioner- C1, B1		Programme Board and SPB	Monthly
Chief Officers	Strategic	Force leads- C1, B1		Programme Board	Monthly
DCC	Strategic/Implementation	Force Lead for Staying Ahead- C1		Project Leads/Programme Board	Monthly

<b>Stakeholder</b>	<b>Interest</b>	<b>Relationship</b>	<b>Notes</b>	<b>Channel</b>	<b>Timing</b>
Partner Agencies (HMCTS, CPS)	Implementation of Change	Working practices have an effect on services- C2, B1, A		Meetings/ Briefings/ Presentations on a scheduled basis	As required
Staff Associations	Management of Change	Changes to staff working conditions- C1		In line with consultation document	Monthly
Police Officers and Police Staff	Management of changes	Staff working within Departments- A, B1, C1		Staff briefings, engagement through line management & Staff Associations	As required
HMIC, CIPFA, Home Office	External scrutiny that receives information / data from the business area to inform assessments and provides advice. Areas for improvement, etc. to assist improvement that are managed by the business area.	B2		As requested	As required

<b><i>Stakeholder</i></b>	<b><i>Interest</i></b>	<b><i>Relationship</i></b>	<b><i>Notes</i></b>	<b><i>Channel</i></b>	<b><i>Timing</i></b>
IOPC	External investigation / investigation oversight that receives information / data from the business area to inform assessments	B1		As requested	As required

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### Appendix B: Initial Issue Log

*(Issue Log template is also available separately as part of the generic Centre of Excellence template set)*

No	Name	Description	Owner	Action & Progress	Action Date	Status

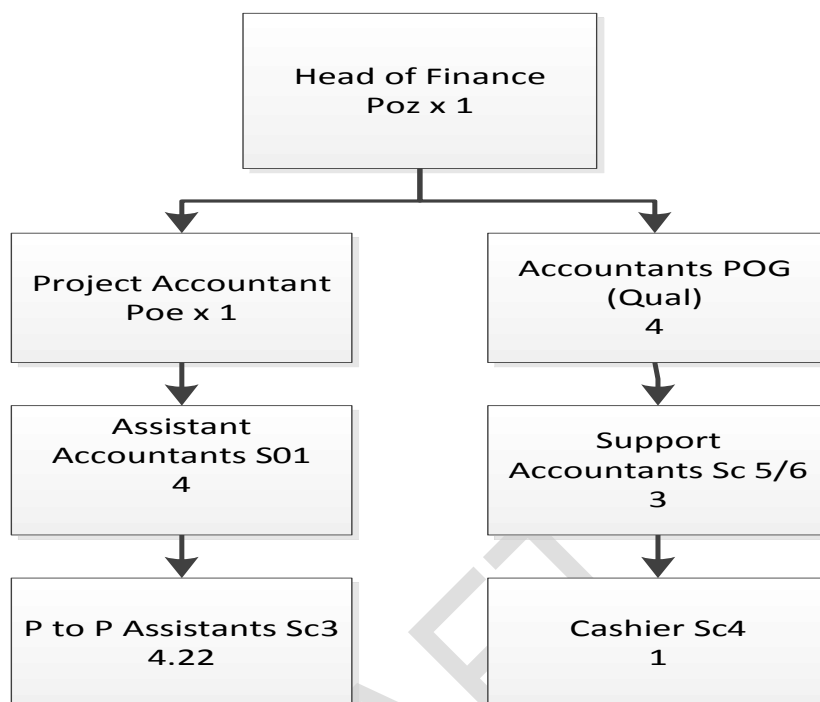
## Appendix C: Initial Risk Log

*(Risk Log template is also available separately as part of the generic Centre of Excellence template set)*

<b>No</b>	<b>Risk Description</b>	<b>Example Scenario</b>	<b>Impact</b>	<b>Likelihood</b>	<b>Owner</b>	<b>Management Strategy</b>	<b>Resource Requirements</b>	<b>RAG Status (Red Amber, Green)</b>



## Appendix D – Interim Structure approved in August 2018



Anticipated Proposed Structure Going Forward					
Type	Role	Number	F Grade	2017/18 gross cost per role	Fully costed
Perm	Head of Finance	1	PO(Z)	£ 77,724.00	£ 77,724.00
Perm	Accountant	4	PO(G)	£ 50,570.00	£ 202,280.00
PErm	Project Accountant	1	PO(E)	£ 48,006.00	£ 48,006.00
Perm	Assistant Accountant	4	SO1	£ 37,199.00	£ 148,796.00
Temp	Support Accountant	3	Scale 5/6	£ 33,571.00	£ 100,713.00
Temp	Cashier	1	Scale 4	£ 27,135.00	£ 27,135.00
Perm	P2P Assistants	4.22	Scale 3	£ 23,871.00	£ 100,735.62
					<b>£ 705,389.62</b>

## Appendix E – Finance Department staffing at 2/12/19

Position Name	Position Pay Scale	Position Type	Budgeted Establishment FTE	Actual Establishment FTE
Head of Finance	POZ	Perm	1.00	1.00
Senior Accountant 1	POG	Perm	1.00	1.00
Senior Accountant 2	POG	Perm	1.00	1.00
Accountant 3	POF	Perm	1.00	1.00
Accountant 4	POE	Perm	1.00	Vacant
Project Accountant (Temporary)	POE	TEMP	1.00	1.00
Assistant Accountant 1	SO2	Perm	1.00	1.00
Assistant Accountant 2	SO2	Perm	1.00	1.00
Assistant Accountant 3	SO2	Perm	1.00	1.00
Assistant Accountant 4	SO2	Perm	1.00	1.00
Assistant Accountant 5 (Temporary)	SO2	TEMP	0.00	1.00
HR & Finance Systems Officer (HOLD)	SO1	Perm	1.00	Vacant
Support Accountant	SC5	Perm	1.00	1.00
Support Accountant	SC5	Perm	1.00	1.00
Support Accountant	SC5	Perm	1.00	1.00
Cashier	SC4	Perm	1.00	1.00
			<hr/>	<hr/>
			15.00	14.00
Purchasing and Payments Assistant	SC3	Perm	0.80	0.80
Purchasing and Payments Assistant	SC3	Perm	1.00	1.00
Purchasing and Payments Assistant	SC3	Perm	0.81	0.81
Purchasing and Payments Assistant	SC3	Perm	0.60	0.60
Purchasing and Payments Assistant	SC3	Perm	1.00	1.00
Payroll Services Lead	POB	Perm	1.00	1.00
Senior Payroll Officer	SC5	Perm	1.00	1.00
Senior Payroll Officer	SC5	Perm	1.00	1.00
Payroll Services Administrator	SC3	Perm	1.00	1.00
<b>Total FTE at 2/12/19</b>			<hr/> <b>23.21</b> <hr/>	<hr/> <b>22.21</b> <hr/>