



TORONTO POLICE SERVICES BOARD REPORT



August 31, 2011

To: Board Members
Toronto Police Services Board

From: Alok Mukherjee
Chair

Subject: TORONTO POLICE SERVICE - 2012 OPERATING BUDGET

Recommendation:

It is recommended that the Board approve the following measures in order to achieve the budget target for the 2012 Toronto Police Service operating budget:

1. Organizational Structure

The Command

- 1 (a) The size of the Command be reduced to three Deputy Chiefs and a Chief Administrative Officer.
- 1 (b) Roles within the Command be streamlined to achieve a clearer separation between policing operations and business processes.

Management and Supervision

- 1(c) The Chief prepare, for the Board's approval, a new Organizational Chart that reflects recommendations 1(a) and 1(b)
- 1(d) A more streamlined management and supervision structure be established, including, specifically, a reduction, through attrition, in senior ranks, with no new Staff Superintendents and Staff Inspectors being appointed; immediate discontinuation of the practice of appointing 2 I/Cs, except where the span of control justifies such appointments; elimination, with immediate effect, of the practice of appointing a uniform manager in units with civilian managers; and, to the maximum extent possible, return of uniform members to policing functions.

2. Human Resources

Reduction through Attrition and No New Hiring

- 2(a) With the exception of Parking Enforcement and where required for operational, contractual or statutory reasons, vacancies caused by retirement, resignation or any other such separations not be filled in 2012.
- 2(b) Subject to availability of funding from the City, the Board offer a voluntary exit program for up to 400 uniform members of the Toronto Police Association in 2011.
- 2(c) The Board request the City's Deputy City Manager and Chief Financial Officer to consider providing the Board a fund of \$20 million to finance the voluntary exit program.
- 2(d) Subject to funds being available, the Board work with the Chief of Police and the Toronto Police Association to develop and present the voluntary exit program to eligible uniformed members
- 2(e) The freeze on new hiring continue in 2012.

3. Business Processes

Use of Premium Pay

- 3 (a) The 2012 budget include a significant reduction in premium pay proportionate to reduction in staff complement. A reduction target of at least 12% be considered.
- 3 (b) The Chief report utilization of the premium pay budget as part of the Service's operating budget variance reports.

Training and Education

- 3(c) The budget for Service members' attendance in training events and conferences, whether in or out town, be reduced by 30% from the 2011 level.
- 3 (d) The Service not host any conference more than once every three years, making sure, as well, that registration fees for non-Service attendees recover the full actual cost.

Use of Alternative Customer Service Methods

- 3(e) The Board approve, in principle, the outsourcing of police background and criminal record checks pending a full report from the Chief within two months, on the feasibility, financial implications and human resources impact of using this alternative method for providing this service as of 2012.

Use of Alternative Business Practices

- 3 (f) The Board approve, in principle, that, wherever possible and financially viable, it will seek an alternative method of performing those business functions that are not directly related to the delivery of policing services.
- 3 (g) The Chief report to the Board within two months on the options for divesting the payroll function, or parts of this function, such as transferring the function to the City or contracting out to another provider, with a cost-benefit analysis and an implementation plan beginning in the 2012 budget cycle.

4. Development of Budget Proposal

- 4(a) That the Chief of Police develop a budget proposal which incorporates each of these recommendations and submit this proposal to a special public Board Meeting to be scheduled prior to the regularly scheduled October Board Meeting.
- 4 (b) That the City of Toronto CFO/CM be requested to quantitatively assess the budget proposal referenced in recommendation 4(a) to determine the extent to which the proposal achieves the City's budget target set for the Toronto Police Service in 2012.

Financial Implications:

The financial implications are yet to be determined

Background/Purpose:

The City of Toronto is facing a \$774 million operating budget pressure in 2012. As a result of this significant challenge, every City Program, Agency, Board and Commission is being asked to exercise cost constraint, maximize non-tax revenues and ensure that scarce resources are utilized to deliver services that fulfill City Council's priorities in the most cost-effective manner.

As part of that process, a Core Service Review, Service Efficiency Studies and a Comprehensive User Fee Review are being conducted. The Toronto Police Services Board (the Board) and the Toronto Police Service (the Service) are very much involved in these initiatives.

Discussion:

The Board must respond to the fiscal challenge with a comprehensive strategy of transforming the Toronto Police Service and doing business differently. Such a strategy involves measures in the following broad areas: Organizational Structure, Human Resources, Business Processes and Advocacy.

The spiralling cost of municipal policing is a matter of considerable concern for police governance and oversight bodies as well as for police leaders throughout Canada. There is general agreement that if the trend is not reversed, local policing will either become

unsustainable or severely hinder local government's ability to pay for all those other services that contribute significantly to the quality of a community's life.

A number of initiatives have been implemented at various levels to address the growing cost of policing, ranging from efforts to persuade the federal government to assume its responsibility in this area to reducing the administrative burden on uniform officers to defining the core business of policing.

In developing the strategies to deal with the rising cost of policing, there are a number of considerations that must be the foundation of any discussion. Legislative provisions governing police services and police services boards serve as the immutable context within which any strategy is devised. Ontario's *Police Services Act* requires and empowers the Board to ensure the provision of adequate and effective policing in the municipality.

Besides the law, certain other considerations should also be taken into account when developing a change strategy. These include: community safety and officer visibility, officer safety, timely and accessible police services, efficiencies through consolidation and sharing of services, where feasible, effective use of the expertise of Service members and focus on innovation.

The attached discussion paper entitled "*Avoiding Crisis, an Opportunity: Transforming the Toronto Police Service*" proposes measures which may result in budgetary reduction or administrative efficiencies in 2012 and also proposes measures which may result in longer term efficiencies. The paper also provides detailed explanation and rationale for the recommendations. I am proposing that the Board approve selected recommendations from the discussion paper as well as a number of new recommendations in order to arrive at a 2012 operating budget request for the Toronto Police Service. The remaining recommendations contained in the paper may be considered in the future and will be addressed in further reports to the Board.

Conclusion:

The discussion related to the Service's 2012 operating budget for 2012 so far has focused almost entirely or largely on the likelihood of a significant downsizing of the workforce as virtually the only method for achieving the magnitude of reduction called for by the City. In this regard, two considerations must be kept in mind.

First, downsizing the workforce through layoffs is not a practical or viable option for the simple reason that this measure involves a complex legal and contractual process which will be lengthy and not concluded in time for establishing the 2012 budget. There is no guarantee of success either.

Second, it is not advisable, in my view, to conclude that layoffs are the only option without first considering every other option. Such an examination has not occurred. Nor has there been any assessment of opportunities presented by the City's recently concluded Core Service Review and the ongoing Service Efficiency Studies.

The recommendations contained in this report take into account the principles underlying the two City projects and are based on the view that the size of reduction required to meet the City's target must involve an identification of opportunities for savings in all aspects of the organization.

It is, therefore, recommended that the Board approve the proposals listed above.

Respectfully submitted,

Alok Mukherjee
Chair

Encl. Avoiding Crisis, an Opportunity: Transforming the Toronto Police Service: A
 Discussion Paper

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**Avoiding Crisis, an Opportunity:
Transforming the Toronto Police Service
A Discussion Paper**

Alok Mukherjee
Chair, Toronto Police Services Board
July 18, 2011

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EXECUTIVE SUMMARY

The City of Toronto is facing a \$774 million operating budget pressure in 2012. As a result of this significant challenge, every City Program and Agency is being asked to exercise cost constraint, maximize non-tax revenues and ensure that scarce resources are utilized to deliver services that fulfill City Council's priorities in the most cost-effective manner.

As part of that process, a Core Service Review, Service Efficiency Studies and a Comprehensive User Fee Review are being conducted. The Toronto Police Services Board (the Board) and the Toronto Police Service (the Service) are very much involved in these initiatives.

The Board must respond to the fiscal challenge with a comprehensive strategy of transforming the Toronto Police Service and doing business differently. Such a strategy involves measures in the following broad areas: Organizational Structure, Human Resources, Business Processes and Advocacy.

The spiralling cost of municipal policing is a matter of considerable concern for police governance and oversight bodies as well as for police leaders throughout Canada. There is general agreement that if the trend is not reversed, local policing will either become unsustainable or severely hinder local government's ability to pay for all those other services that contribute significantly to the quality of a community's life.

A number of initiatives have been implemented at various levels to address the growing cost of policing, ranging from efforts to persuade the federal government to assume its responsibility in this area to reducing the administrative burden on uniform officers to defining the core business of policing.

In developing the strategies to deal with the rising cost of policing, there are a number of considerations that must be the foundation of any discussion. Legislative provisions governing police services and police services boards serve as the immutable context within which any strategy is devised. Ontario's *Police Services Act* requires and empowers the Board to ensure the provision of adequate and effective policing in the municipality.

Besides the law, certain other considerations should also be taken into account when developing a change strategy. These include: community safety and officer visibility, officer safety, timely and accessible police services, efficiencies through consolidation and sharing of services, where feasible, effective use of the expertise of Service members and focus on innovation.

RECOMMENDATIONS

1. Organizational Structure

1.1 The Command

The size of the Command be reduced.

Roles within the Command be streamlined to achieve a clearer separation between policing operations and business processes.

1.2 Management and Supervision

A more streamlined management and supervision structure be established, including, specifically:

- a reduction, through attrition, in senior ranks, with no new Staff Superintendents and Staff Inspectors being appointed;
- immediate discontinuation of the practice of appointing 2 I/Cs, except where the span of control justifies such appointments;
- elimination, with immediate effect, of the practice of appointing a uniform manager in units with civilian managers; and,
- to the maximum extent possible, return of uniform members to policing functions.

1.3 Administrative Units

The Board direct the Chief to:

- reduce the number of administrative units through amalgamation of smaller units so that there are fewer managers with larger spans of control;
- discontinue the practice of deploying uniform officers in supervisory ranks to non-supervisory positions, especially in non-policing functions; and,
- return all such uniform officers to policing functions.

2. Human Resources

2.1 Reduction through Attrition

The Board implement a freeze on all new hiring (including replacement of vacancies), non-contractual reclassifications, promotions and non-essential acting assignments for the balance of 2011 and all of 2012, with exceptions made only where there is statutory or Collective

Agreement obligation or where there is a risk to operations or public safety. The latter must be based on a full justification being provided to the Board for each exception. The new freeze must be comprehensive and apply to all units.

The Board consider withdrawing from the federal PORF program and also review its participation in the provincial programs, if they result in a uniform strength that is higher than the authorized strength and impose an additional pressure on the budget.

2.3 Modernize Support Systems for Managers

Alternatives, such as clerical pools and centralized call centres, be implemented and the practice of providing dedicated support to individuals be restricted. .

2.4 Front Desk Staffing in Police Divisions

The Board direct the Chief to review front desk operations with a view to ensuring that front desk functions in the police divisions are performed by civilian staff where possible.

2.5 Review of Negotiated Practices

The Board invite the TPA to work with the Board on meeting the goals of the agreement reached in 2005 with respect to shift schedules.

The Board discuss with the TPA the possibility of modifying the practice of two-officer patrols.

3. Business Processes

3.1 Performing the Core Business

The Chief inform the Board about the existence of any units dedicated to perform functions that come under other jurisdictions, the rationale behind them and the steps he would take to define a strictly support role on an as-needed basis.

The Chief provide an assessment to the Board of opportunities for devolving certain crime prevention functions, including first-response responsibility, to private security agencies, above and beyond any arrangements that may already exist.

The Chief provide the Board an assessment of the services that must be provided by police officers, those that can be provided by civilians, special constables and auxiliary members, and those that require a combination of personnel. Further, using this assessment, the Chief also provide the Board with a plan to use a combination of personnel to provide each of the five core services prescribed in the *Police Services Act*..

3.2 Use of Premium Pay

The 2012 budget include a significant reduction in premium pay.

Premium pay should be allowed only when absolutely essential and must be pre-authorized by the individual's supervisor.

The Chief report utilization of the premium pay budget as part of the Service's operating budget variance reports.

3.3 Use of Alternative Training and Education Approaches

The Service:

- develop a new, more modest training and education plan that focuses on areas of learning that are mandated or are required to minimize risks;
- except where absolutely essential, provide training using e-learning tools;
- utilize instruction by police officers only where necessary;
- take advantage of community-based or offered training and education opportunities wherever possible;
- limit attendance at out-of-town (and out-of-country) educational events to an absolute minimum and only where such attendance is critically important for the organization; and,
- ensure that it does not host any conference more than once every three years, making sure, as well, that non-Service attendees pay their full true cost.

3.4 Use of Facilities and Equipment

The Chief review the process for replacement of equipment with a view to determining whether the timeframe for replacement of certain equipments and non-patrol vehicles can be extended beyond their present timeframe and to what extent.

The Chief advise the Board about potential for savings in the 2012 budget cycle from extending the timeframe for lifecycle replacement.

3.5 Use of Technology

The Chief identify and implement technology solutions, wherever feasible, for the kinds of functions listed in the Discussion Paper, beginning in the 2012 budget cycle.

3.6 Use of Alternative Customer Service Methods

The Board approve, in principle, the outsourcing of criminal record and police background checks pending a full report from the Chief within two months, of the feasibility and financial implications as well as the human resources impact of this alternative method of providing this service.

3.7 Use of Alternative Business Practices

The Board approve, in principle, that, wherever possible and financially viable, it will seek an alternative method of performing functions that are not directly related to the delivery of policing services.

The Chief report to the Board within two months on functions, or parts of functions, that can be divested along with suitable options, a cost-benefit analysis and an implementation plan beginning in the 2012 budget cycle.

4. Advocacy

The Board request the Mayor and the City Council to join the Board in advocating that the federal government accept its share of the cost of policing.

Avoiding Crisis, an Opportunity: Transforming the Toronto Police Service

The cost of providing policing services, like many other public services, is at a critical juncture. It is at a point where many ask, “Can the present model of public policing continue without reform, is it sustainable?”

Ross Landry
Attorney General and Minister of Justice, Nova Scotia
May 26, 2011

INTRODUCTION

The City of Toronto is facing a \$774 million operating budget pressure in 2012. As a result of this significant challenge, every City Program and Agency is being asked to exercise cost constraint, maximize non-tax revenues and ensure that scarce resources are utilized to deliver services that fulfill City Council’s priorities in the most cost-effective manner.

As part of that process, a Core Service Review, Service Efficiency Studies and a Comprehensive User Fee Review are being conducted. The Toronto Police Services Board (the Board) and the Toronto Police Service (the Service) are very much involved in these initiatives.

It is important, in this context, for the Board to respond with comprehensive strategies, in both the short and the long-term, to effectively deal with the financial challenges we are now facing.

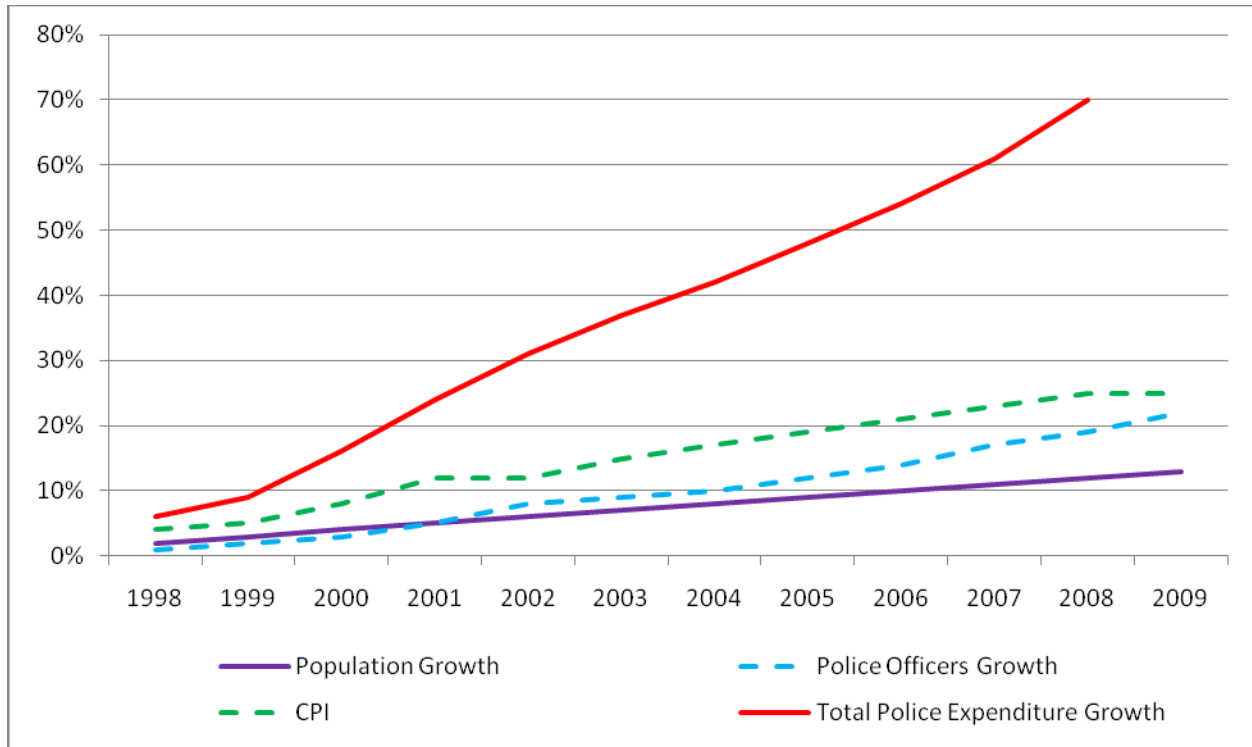
There has been considerable public discussion recently of what these measures should be, including a significant reduction in the strength of the organization. Whatever action the Board decides to take, the focus should be on ensuring that it results in long term sustainability and not a one-time slashing of the budget to meet an annual target. I believe that long term sustainability requires a comprehensive strategy of transforming the Toronto Police Service and doing business differently than at present. The City’s financial crisis creates an opportunity to do so.

A comprehensive strategy of transforming the organization will involve measures in the following broad areas:

- Organizational Structure
- Human Resources
- Business Processes
- Advocacy

COST OF POLICING IN CONTEXT

The following graph prepared by the Regional Municipality of Peel Police Services Board illustrates the challenge that must be understood and addressed. The graph vividly portrays how, between 1998 and 2009, the growth in total police expenditure has far outpaced increases in population, police complement and the Cost of Price Index.



The spiralling cost of municipal policing is a matter of considerable concern for police governance and oversight bodies as well as for police leaders throughout Canada. It has been the subject of resolutions at annual conferences of the Canadian Association of Police Boards (CAPB) and the Ontario Association of Police Services Boards (OAPSB) for several years. There is a general sense that if the trend is not reversed, local policing will either become unsustainable or severely hinder local government's ability to pay for all those other services that contribute significantly to the quality of a community's life.

The point is brought home even more startlingly when we consider police expenditure growth in Toronto. In 1957, when an amalgamated police organization was created by the Police Commission of the day, the budget for policing Metropolitan Toronto was \$12,659,813. Today, it is in excess of \$1B. In this same period, the population of Toronto has grown from 1.3 million to 2.6 million, and the strength of the Service has increased from 2,291 to almost 8,000 uniform and civilian members. In other words, while the city's population has doubled, the service has grown by some two and a half times and Toronto's police budget has increased over 8.3 times.

*Avoiding Crisis, an Opportunity:
Transforming the Toronto Police Service
A Discussion Paper*

It is my view that, even if the City were not confronted with the fiscal pressure that it now faces, this matter would still have to be dealt with. The current pressures have only lent urgency to the need for action.

There is need for a well thought-out, multi-pronged immediate and longer term response. The alternative would be an *ad hoc*, crisis response, which would not have a real lasting impact on the delivery of sustainable policing services commensurate with fiscal realities. While the financial context may seem troubling, it is critical that we not react impulsively, as short and long-term arbitrary economizing is more damaging than helpful.

The focus should be on strategies that emphasize affordability and sustainability while ensuring adequate and effective policing services through innovative solutions. The challenge must be seen as an opportunity to transform the way we provide policing services.

INITIATIVES TO DEAL WITH COST OF POLICING

A number of initiatives have been implemented at various levels to address the growing cost of policing, ranging from efforts to persuade the federal government to assume its responsibility in this area to reducing the administrative burden on uniform officers to defining the core business of policing. Below is a brief description of these initiatives.

These initiatives are based on the belief that expensive contract settlements are not the only cost driver. There are other significant contributors to the policing cost issue, including lack of clarity about which level of policing does what, downloading or abdication of policing responsibilities by other orders of government, a tendency on the part of governments to enact legislation that adds to policing responsibilities without regard for cost implications and *ad hoc* sharing of some costs by other orders of governments that is neither equitable nor efficient.

Coalition on Sustainable Policing

In 2008, the Federation of Canadian Municipalities (FCM) issued a study that argued that municipal police services deliver certain services which fall under federal jurisdiction. FCM proposed that federal government accept its share of police funding to pay for those costs.

As a follow-up to FCM's study, a Coalition has been established to seek dialogue with the federal government on this subject. It is led by the CAPB and includes representatives of FCM, the Canadian Association of Chiefs of Police (CACCP) and the Canadian Police Association (CPA).

The Coalition's work is based on the principles that, first, though there is only one taxpayer, property tax cannot be the sole source of paying for policing costs; second, every order of government should pay its fair share for policing that falls under its jurisdiction; and, third, that it is imperative that every tax dollar, regardless of which order of government levies the tax, is spent wisely, effectively and to the betterment of the people we serve.

Based on the view that the *status quo* is no longer viable, the Coalition has proposed the following actions to address policing needs:

- The parties request the federal government to commence dialogue by acknowledging that there is an issue to be addressed.
- The parties request the federal government to consult with the police community and associated stakeholders on a priority basis to consider measures that can be taken which are cost-neutral to the federal government, but of assistance to the parties, either in reduced cost or greater efficiencies.
- The parties request the federal government to undertake a 'viability' or 'means' test with the introduction or re-introduction of legislation that has the potential to impact municipal budgets and/or municipal police services. The principle of 'what additional costs if any' will result from the legislation combined with 'who pays?' should underpin the test.

- The parties urge the federal government, in conjunction with its provincial and territorial counterparts, to look for comprehensive solutions that encompass the entire justice system – and hold all groups accountable for their actions.
- The parties request that the federal government convene a meeting, to be held this calendar year, of all orders of government to explore, in a constructive fashion, the options available to provide a comprehensive framework for the delivery of police services that properly align resources with responsibilities. It would request the national bodies that represent policing be provided standing at this event as the ‘content’ experts who deliver police services to the vast majority of Canadians.

During annual meetings with representatives of the federal government and Members of Parliament, Coalition partners have continued to raise the issue. At our Board’s urging, in 2010, Toronto City Council, endorsed the position that the federal government should financially support local police services for policing that comes under federal jurisdiction. Although the government has yet to respond, it has acknowledged its responsibility with respect to public safety in local communities through its partial funding of 2500 additional police officers in Canada’s cities for a period of five years and its periodic financial and in-kind support for certain policing initiatives. In a separate report to the Board, I have listed these initiatives.

Ontario Government’s Upload of Court Security and Prisoner Transportation Costs

Until 1989, the government of Ontario paid for court security through a “per household” grant. Subsequently, it downloaded the cost of court security and prisoner transportation onto the local police services boards. The *Police Services Act* was amended to include this responsibility in the duties of the boards. Since the download, as the province has continued to open additional courtrooms in Toronto, our cost has grown to over \$45M annually. Other municipalities with courthouses have experienced similar proportional increase in their budgets. As a result of persistent advocacy by the Association of Municipalities of Ontario (AMO), the City of Toronto and the province’s police boards, the Ontario government has agreed, once again, to take over responsibility for the cost of court security and prisoner transportation. An agreement to this effect was signed between the government, AMO and the City of Toronto, who are now negotiating the formula by which the upload will occur. However, this will be done gradually over a seven year period, beginning in 2012.

Police services boards, who are not a direct party to the negotiations, are very much concerned that this process will not lead to a full funding of this aspect of policing costs, as a total fixed amount of \$125M has been agreed to with no provision to adjust for inflation. It is felt, however, that as AMO and the City of Toronto have already signed off, this is a moot issue.

On the positive side, there will be a considerable relief to the police budget as a result of the funds to be provided to municipalities by the province under this agreement.

Ministry Working Group on Efficiencies

It is generally agreed that police officers spend a significant amount of time away from frontline policing doing paperwork due to growing administrative and judicial requirements. At a meeting

with Ontario's Minister of Community Safety and Correctional Services, Jim Bradley, in March 2011, the OAPSB recommended that the Ministry, in consultation with all of its policing partners, conduct a review of these requirements in order to simplify or streamline the requirements and contain costs through efficiencies. On May 18, Minister Bradley announced his decision to convene a working group of stakeholders with the mandate to find "new, innovative ways to ease the administrative burden on police officers in Ontario today."

The Efficiencies Working Group will be a part of the Ministry's Policing Standards Advisory Committee. The group will commence work shortly and OAPSB hopes that the working group's recommendations will result in cost savings through simplifying or reducing the requirements that consume a great deal of officer time, which can be freed up for direct policing functions.

The decision to convene this working group reflects the government's recognition that it has a role to play in containing policing costs.

CACP Private Sector Liaison Committee

CACP's Private Sector Liaison Committee works with private security industry to provide training and share information in several areas of policing. The actual activities of this liaison committee aside, what is important is the acknowledgement by CACP of the fact that private policing is a reality in Canada. Private security providers are a growing presence in many areas including residential safety, protection of business premises and national and international security.

Provinces such as ours have implemented legislation to license providers of private security, establish minimum training standards and carry out inspections.

There is a growing dialogue between public and private policing agencies on ways for working together in the provision of public safety.

No discussion of policing costs can ignore the fact that private policing is playing an increasingly significant role in public safety. This presence must be recognized and its implications for delivery of policing services taken into account.

Emergency Services Steering Committee

The Emergency Services Steering Committee (ESSC) was formed in 2005 on the recommendation of senior staff from municipalities represented by the Mayors and Regional Chairs of Ontario (MARCO), the Large Urban Mayors Caucus of Ontario (LUMCO) and the OAPSB in response to rapidly increasing emergency services costs across Ontario. Its membership is comprised primarily of Chief Administrative Officers and staff from legal services, human resources and communications from member municipalities, the OAPSB and municipal liaison groups.

The primary objective of the ESSC is to provide a clear picture of the state of emergency services labour costs and how their escalation potentially impacts municipal budgets. This includes:

- Researching, analyzing and disseminating emergency services settlement information to member municipalities
- Identifying legislative and regulatory opportunities and barriers to the collective bargaining process
- Improving communication between member municipalities in an effort to act as a group, not individually

ESSC has identified significant factors that it believes are contributing to rising emergency services labour costs (wages and benefits) and the effects that they are having on Ontario municipalities and the public services they provide. It is the position of the ESSC that these cost increases are not sustainable in the long term and that they are being driven higher by arbitration awards that have not fully considered or properly accounted for the current Ontario and local economies or the taxpayers' ability to pay, and the influence of such awards on negotiated settlements. Arbitrators and arbitration boards are obliged by law to consider these factors to ensure that their awards provide a balance between a fair compensation increase and the public's ability to pay.

However, it is the ESSC's conclusion that emergency services wage and benefits awards have exceeded other awards, the rate of inflation and the cost of living and that arbitrators/arbitration boards have ignored the municipalities' ability to pay and the impact on taxpayers.

ESSC believes that change cannot be made with respect to these issues without the involvement of the province and the recognition that there is a problem that needs to be fixed by everyone involved. It is ESSC's position that the Government of Ontario must revise and tighten legislative criteria so as to force arbitrators and arbitration boards to be more accountable for their decisions so that their awards are fair and balanced for both parties.

City of Toronto Reviews

The City has recently implemented a multi-pronged approach in order to address its financial pressures. This approach includes a core service review, efficiency review and a user fee review.

Under this program, the Board and the Service are working with the City and its consultants in all three areas. It is expected that the reviews will assist the Board in dealing with the issue of policing costs by identifying the Service's core services and cost-effective options for delivering them, finding efficiencies in administrative costs through the sharing of support and infrastructural services wherever possible and generating additional revenues, if possible, through revising current use fees and identifying additional sources.

In summary, as the foregoing shows, several factors have contributed to the cost of policing. These are internal as well as external. There is widespread agreement among stakeholders that unless these are dealt with, the cost on the local taxpayer for delivering needed policing services

will continue to grow to the point where there will be serious consequences. It is encouraging to note that some efforts have begun to be made to deal with this challenge, as outlined above.

Recognizing the challenge, on May 25 and 26 of this year, the Canadian Police College (CPC), in cooperation with the CACP and the Canadian Police Sector Research Council (PSRC) organized a two-day symposium on the economics of policing where representatives of federal and provincial governments, police boards, police chiefs, private security agencies and academics engaged in a serious consideration of the types of innovations that are needed to make policing in Canada sustainable and affordable. The action that the TPSB takes in response to the City's fiscal challenges has the potential to provide a new direction and, thus, have a broader impact.

CONSIDERATIONS GOVERNING RECOMMENDATIONS

In developing the strategies to deal with the rising cost of policing, there are a number of considerations that must be the foundation of any discussion. Legislative provisions governing police services and police services boards serve as the immutable context within which any strategy is devised.

Legislation

In respect of municipal policing in Ontario, the *Police Services Act* (the *Act*) distributes decision-making authority among three entities. First, it is the municipality, which must decide on the form of policing it wants – that is, whether it wants to establish its own police service, rely on a neighbouring municipality for policing in its jurisdiction or contract out to the Ontario Provincial Police. If the municipality decides to have its own police service, it is responsible for providing the financial and material resources for the delivery of services. The municipality has no further role; it cannot be involved in day-to-day decision-making, nor can it have any say in the specifics of the police operating and capital budgets. The municipality can only deal with the total amounts requested by the board.

Submission of annual budgets to the municipality is but one of the areas where the board has decision-making authority. It is the board that approves the budgets for municipality's consideration. It is an important part of a board's role in ensuring and overseeing the provision of adequate and effective police services

In Ontario, the *Police Services Act* establishes a board's legislated duties.

In general terms, the legislated mandate of a police services board in Ontario can be summarized as establishing policies for the effective management of the police service and, in consultation with the Chief, determining policing priorities. In effect, the board's role in shaping the structure of policing is very broad, limited by legislation only in the realm of daily operations, which are the sole responsibility of the chief of police.

According to section 31 of the *Act*, the board "is responsible for the provision of adequate and effective police services." The *Act* gives the board several responsibilities, which include the following:

- (a) appoint the members of the municipal police force;
- (b) generally determine, after consultation with the chief of police, objectives and priorities with respect to police services in the municipality;
- (c) establish policies for the effective management of the police force;
- (d) recruit and appoint the chief of police and any deputy chief of police, and annually determine their remuneration and working conditions . . . ;
- (e) direct the chief of police and monitor his or her performance;

The board is the employer, and, as such, has a key role in labour relations. It negotiates collective agreements with police associations. The board is a legal entity and is the party that enters into contracts and takes legal action. And, as mentioned already, it is the board that submits operating and capital budget estimates to City Council each year and defends the amounts requested.

The chief is the operational head of the police service and, in this role, is responsible for the delivery of adequate and effective policing services as well as for day-to-day management, for managing resources appropriately, for ensuring the implementation of board's priorities and policies through procedures, orders, training and deployment of personnel, and for the performance and conduct of members of the organization.

Thus, it is the board that is legislatively required and empowered to ensure the provision of adequate and effective policing in the municipality, as articulated in the *Act*. The municipality and the chief of police share this responsibility with the board.

It is useful to note in this regard that it was the Board of Commissioners of Police for the City of Toronto, established in 1858, that directed the reorganization of the police force in 1859. Again, in 1956, it was the Metropolitan Board of Commissioners of Police that oversaw the amalgamation of thirteen metro-area police forces into the one police service that we now have. In other words, historically, the responsibility for establishing the model and structure for delivering policing services has rested with the board.

Since the reorganization in 1956, there have been many new developments. On one hand, policing has increased in complexity due to legislative and societal changes. On the other hand, new agencies have been established to deal with public safety issues; new knowledge, tools, methods and technologies have become available; and more resources have been added.

Other Considerations

Some fifty-five years since the amalgamation, the Board is faced once again with the responsibility for ensuring that we provide adequate and effective policing services that are also affordable and sustainable, and thus reflective of today's realities. In considering the measures that should be taken, the following considerations should be taken into account.

- Ensure community safety and officer visibility
- Ensure officer safety and the health and safety of all members of the Service
- Provide timely and accessible police services
- Find efficiencies through consolidation and sharing of services, where feasible
- Utilize expertise of Service members most effectively
- Ensure that the right members are in the right positions (including discussion of work done by uniform vs. civilian members)
- Ensure effective supervision
- Focus on innovation
- Consider work/life balance for Service members
- Address risk management

A SUSTAINABLE RESPONSE: TRANSFORMING TPS

The current situation presents the Board and the Service with an opportunity to seek transformative change in the way policing services are delivered. It is important that a short term, *ad hoc*, crisis response is avoided in favour of a strategy that produces lasting results, thus enabling the Board to provide adequate and effective policing services at a price that the funders of the service, i.e. the public, can afford now and in the future. This strategy must include measures to “right size” the organization consistent with its statutory mandate; to do business more economically, wherever possible; to use innovative practices; to moderate expectations of policing; and to re-focus on the essentials.

In general, as stated above, the change strategy involves four areas of action: organizational structure, human resources, business processes and advocacy

With these caveats in mind, the following short-term and longer-term measures are recommended for the Board’s consideration.

1. Organizational Structure

The Voluntary Exit Incentive Program (VEIP) that the Board, on the recommendation of the Chief of Police, has recently offered to senior officers creates an opportunity for the Board to establish a new organizational structure. The Board should now build on this initiative to achieve a leaner organizational structure.

1.1 The Command

The TPS Command at present includes the Chief of Police, four Deputy Chiefs of Police and a civilian Chief Administrative Officer (deemed equal to a Deputy Chief). The number of Deputy Chiefs has varied from time to time, from a high of six at one time to a low of two at another. On August 31, 2011, two of the four Deputy Chiefs will retire.

The Board at this time must consider the possibility of a smaller Command and decide whether to replace one or neither of the two retiring Deputies. In order to make that decision, the Chief should be requested to provide his assessment of the implications of the two options taking into account the further changes that the Board must contemplate.

It is my view that the size of the Command should be reduced and in so doing the Command be streamlined to achieve a clearer separation between policing operations and business processes , including, but not limited to, areas such as finance, human resources, information technology, quality control, legal services, corporate services and communications.

The Board has a direct interest in business processes generally, and finance and human resources, in particular. These consume a substantial portion of the operating and capital budgets and a case is to be made that the Board needs to exercise enhanced oversight of these areas, as it already does in certain other respects. .

1.2 Management and Supervision

The TPS includes senior staff at virtually every uniform rank authorized in the *Police Service Act* from inspector to staff superintendent. On the civilian side, there are supervisors, coordinators, assistant managers, managers and directors. In effect, this has created a highly hierarchical organization with multiple layers of management and supervision, sometimes with very small spans of control.

As well, there has been an increase in the number of managers in the position of second-in-command (2 I/C). Nearly all of the divisions headed by a Superintendent and all administrative units have a 2 I/C. With many younger people or people with fewer years of experience being promoted to senior positions, the 2 I/C assignment has been a significant professional development opportunity. The question that now needs to be asked is whether this practice can be maintained in light of our financial situation and, further, whether the practice has sufficiently served its purpose.

Another practice that is deserving of re-consideration is that of assigning a uniform senior officer to a specialised administrative unit that already has a civilian manager. The arguments in favour of this practice are not persuasive. In my view, the practice results in duplication. In addition, the practice takes uniform officers away from policing functions.

Related to this is the practice of appointing senior uniform officers to manage certain administrative units that require particular subject matter expertise. While in some circumstances, this may be expedient, whether this is the best use of a senior uniform officer or, from a risk-management perspective, the best way to manage critical functions, is open to question. The senior uniform officer cannot be expected to possess the necessary subject-matter expertise and will, therefore, face a learning curve and may require additional training to perform the job well. Such an investment in training and development will only make sense if the individual is to hold that position for an extended period.

However, it is well established that uniform officers do not have long tenures in administrative, non-policing positions. As they move to policing assignments, their acquired expertise must be replaced. As a 2009 report by the US Department of Justice, prepared in collaboration with the Major Cities Chiefs and the FBI National Executive Institute, entitled “Civilianization: Risks and Rewards,” noted:

Because of the time and expense involved in training a new employee, it is beneficial to the agency to retain employees in professional positions as long as possible. Several agencies reported that by civilianizing certain positions, they were able to hire professional staff with both the educational background and the work experience in the employment area for which they were hired. This may not be the case when the agency has to assign an officer in a particular position.

According to the report, civilianization allowed police agencies “to put experienced officers back into traditional positions, like patrol, or investigative functions.”

Based on these reasons, I recommend a more streamlined management and supervision structure, including, specifically:

- a reduction, through attrition, in senior ranks, with no new Staff Superintendents and Staff Inspectors being appointed;
- immediate discontinuation of the practice of appointing 2 I/Cs, except where the span of control justifies such appointments;
- elimination, with immediate effect, of the practice of appointing a uniform manager in units with civilian managers; and,
- to the maximum extent possible, return of uniform members to policing functions.

1.3 Administrative Units

As the current organizational chart shows, in certain areas, such as Information Technology and Corporate Services, there is a multiplicity of units. Some of these units are very small. There are other units which are staffed by uniform personnel in supervisory ranks of Sergeants and Staff Sergeants who do not perform any supervisory function.

There is, I believe, scope for rationalization in order to achieve greater efficiency. Therefore, I recommend that the Board direct the Chief to:

- reduce the number of administrative units through amalgamation of smaller units so that there are fewer managers with larger spans of control;
- discontinue the practice of deploying uniform officers in supervisory ranks to non-supervisory positions, especially in non-policing functions; and,
- return all such uniform officers to policing functions.

Further, the decisions that the Board makes in regard to organizational structure, human resources and business practices to achieve the reduction target will very likely render certain units redundant. Those units should be eliminated, and all efforts made to reassign their staff.

2. Human Resources

Much of the discussion related to the cost of policing has centred around the cost of human resources. There is considerable justification for this. In Toronto, we spend 88.4% of our annual operating budget on salaries and benefits. There has been a great deal of controversy around how collective agreements have pushed up these costs.

The impact of collective agreements aside, there is the issue of the ratio of police officers to population.

Table 1 – Police Officers and Crime Rates

Police service	2009 population	2010 authorized strength	2010 actual strength	2010 police officers per 100,000 population	2009 Crime Severity Index
Toronto	2,677,708	5,588	5,774	216	79.3
Peel	1,249,341	1,895	1,855	148	56.5
York	1,016,010	1,433	1,425	140	44.4
Montreal	1,906,811	4,589	4,486	235	112.1
Vancouver	640,963	1,327	1,427	223	119.8
Calgary	1,125,001	1,872	1,882	167	79.8
Ottawa	882,477	1,372	1,351	153	68.3

As the above table from Statistics Canada’s (StatsCan) annual report, *Police Resources in Canada*, for 2010 shows, ours is among the highest relative to other major police services in Canada, as shows. StatsCan’s report provides a useful comparative basis for considering the issue of workforce strength. In 2010, the actual strength in Toronto was far in excess of the authorized strength. This could be the result of recruitment and departure cycles as well as the conditions for provincial and federal grants for additional officers. Nevertheless, an excess of 186 officers over the authorized strength is bound to have a budgetary impact. The operating budget must be based on the strength that is authorized by the Board and the City Council.

In terms of this actual strength, of the seven largest municipal police services in Canada, as this comparison shows, Toronto has a ratio of police officers to population that is lower only than those of Montreal and Vancouver, two cities that also ranked higher on the 2009 Crime Severity Index (CSI). Based on this, some may argue that Toronto’s ratio is not out of line and, therefore, justifies the actual strength.

Interestingly, the ratio of officers to population is different when seen in terms of the authorized strength. Table 2 below shows the ratio that is authorized and it is 7 officers less than the ratio produced by the actual strength. However, given that Toronto’s ranking on the CSI is lower than that of Calgary and closer to that of Ottawa than Montreal, one may ask whether even this ratio of 209:100,000, which is so much higher than those for Calgary, Ottawa and, even Peel, is justified.

Table 2 – Ratio of Police Officers to Population, Based on Authorized Strength

Police Service	2010 authorized strength	2010 police officers per 100,000 population
Toronto	5,588	209
Peel	1,895	152
York	1,433	141
Montreal	4,589	241
Vancouver	1,327	207
Calgary	1,872	166
Ottawa	1,372	155

A review of the 2010 Weighted Clearance Rates (WCR) in the StatsCan report for these seven largest municipal police services reinforces the legitimacy of this question.

Table 3 – Weighted Clearance Rates

Toronto	Peel	York	Montreal	Vancouver	Calgary	Ottawa
38.4	44.9	44.7	30.5	27.7	36.8	39.7

Toronto’s WCR is lower than those for Peel and York, but higher than those for Montreal and Vancouver, which are also characterized by a higher CSI ranking and ratio of officers to population. It is somewhat closer to those for Ottawa and Calgary. These two cities are closer to Toronto in CSI ranking as well but have a much lower ratio of officers to population. This pattern further forces us to question the relationship between officer strength and crime.

It is, of course, understood that dealing with crime is only one of the core services required to be provided under the *Act* by a municipal police service. It is also understood that any discussion of officer strength for Toronto must take into account other factors, such as the infusion of vast numbers of additional people daily, the particular demographic and societal realities of the city, the large number of special events, the presence of foreign consular offices, courts and major financial institutions, etc.

However, these realities of policing in Toronto should not deter us from a serious consideration of what constitutes a realistic and adequate uniform complement for this city. Further, these realities require us to understand what the core function of policing in Toronto should be and to seek an alternative model of policing that allows the Board to discharge its statutory responsibility vis-à-vis the provision of adequate and effective policing at a cost that is affordable for the residents of Toronto.

Uniform strength is, of course, only one component of the total workforce. There are also civilian employees. The StatsCan report provides some useful information in this regard. As Table 4 below shows, there is one civilian for every two uniform officers in Toronto, a much higher ratio than in any of the other police services. According to the StatsCan report, the average for the country is one civilian for every 2.5 uniform officers.

Table 4 – Other Personnel

Toronto	Peel	York	Montreal	Vancouver	Calgary	Ottawa
2,848	814	522	1,384	377	665	542

The high number of civilians in Toronto is, no doubt, accounted for by the fact that there has been significant civilianization of functions in areas such as parking enforcement, court services and communications and dispatch services.

In itself, this is potentially a positive trend and should be explored for further application in lieu of the use of uniform personnel for diverse functions. At the same time, there needs to be a

determination of whether the best use is being made of civilians and whether there is room for efficiencies, especially in respect of administrative and support personnel. The national average provides a possible benchmark.

It is within this context that possibilities for cost reduction in the area of human resources must be explored.

At its meeting of May 2011, the Board requested the Chief of Police to provide a report on the impact of reducing the uniform complement to 5100 and civilian complement to 1700. Since then, there has been considerable discussion of the need to reduce the workforce through layoffs. Layoffs and buyouts are used when a significant, permanent reduction in the workforce is to be achieved. A reduction in the budget to the tune of \$83.4M does constitute a significant reason to pursue such reduction.

Recently, the Board has offered a Voluntary Exit Incentive package to up to 12 senior uniform officers and six senior civilian officers.

Currently, there is no basis to consider a permanent reduction through layoffs; however, the Board should ensure that a full assessment of staffing requirements is conducted. In this regard, I note that City Council, on February 23, 2011, approved the following motion:

63. The Toronto Police Services Board be requested to examine the feasibility of a formal review of required civilian and police complement.

At its meeting in June, the Board directed the Chair and the Vice Chair to meet with the Chief to consider the feasibility of this review. A formal review such as the one requested by the City Council is the proper first step in any consideration of workforce reduction. It would ensure that such reduction is based on sound, business reasons with due attention to the Board's statutory responsibility to provide adequate and effective policing services.

It should also be kept in mind that layoffs in a police service involve a detailed process, which is established in the *Act*. The Board must give notice to the police associations and negotiate a severance package. Failing agreement, the matter must be arbitrated. As well, the Ontario Civilian Police Commission must review the proposed reductions in terms of impact on service delivery and give its approval.

These are time consuming processes. It is most unlikely that they can be concluded in time for savings to be achieved for 2012. For these reasons, reductions through layoffs are not a viable option for the 2012 budget cycle. What is required, as the first step, is completion of a formal review as requested by City Council. The results of the review will provide an objective basis for decisions with respect to the workforce strength.

For the purposes of the 2012 budget cycle, then, other changes in the area of human resources should be considered. The objectives behind these changes should be a reasonable reduction in the workforce strength through attrition and redundancy, maximum deployment of highly remunerated police officers to police functions, elimination of duplication due to multiple

supervision, use of non-police personnel wherever feasible, and efficient use of civilian administrative and support staff based strictly on business necessity.

2.1 Reduction through Attrition

An alternative to layoffs is reduction through attrition; that is, no new hiring and no replacement of those who leave their current positions for any reasons. The freeze implemented for 2011 should continue. It is estimated that this action would result in cost savings from an actual uniform and civilian strength which would be approximately 366 and 90 below the strength authorized by the Board.

The savings in direct and indirect costs from this measure would be considerable.

It is, therefore, recommended that, as an immediate step, the Board implement a freeze on all new hiring (including replacement of vacancies), non-contractual reclassifications, promotions and non-essential acting assignments for the balance of 2011 and all of 2012. Exceptions should be made only where there is statutory or Collective Agreement obligation or where there is a risk to operations or public safety. The latter must be based on a full justification being provided to the Board for each exception.

At present, certain units are exempt from the freeze on hiring, such as Parking Enforcement. The new freeze must be comprehensive and apply to all units.

2.2 Federal and Provincial New Officer Programs

Currently, two provincial programs and one federal program provide grants to hire additional police officers. Funds from these programs are not to be used to replace existing officers, but to hire new officers. Officers hired under these programs account for the difference between the authorized strength and the actual strength of the TPS. While the availability of these additional officers may have enabled the Service to staff certain initiatives, the Board must ask whether it can continue to incur its share of the cost.

Of particular concern is the federal Police Officer Recruitment Fund (PORF) grant, under which we receive \$70,000 each for 44 officers. This five-year funding will expire in 2013, when the full cost will have to be assumed by the Board. The federal government has indicated that it has no intention of continuing its share of the funding beyond the initial five years. By contrast, the provincial programs provide funding in perpetuity, and assume 75% of the cost of the officers.

The additional officers hired under the federal PORF program were deployed to the public transit system when this responsibility was taken over from the TTC. Aside from the fact that there are ongoing discussions with respect to policing the transit system, the Board must ask if it is getting value for money by participating in the federal PORF program.

I recommend that the Board consider withdrawing from the federal PORF program and also review its participation in the provincial programs, if they result in a uniform strength that is higher than the authorized strength and impose an additional pressure on the budget.

2.3 Modernize Support Systems for Managers

Organizations today employ support systems that are efficient and cost-effective. They use readily available technology to reduce the need for clerical and administrative support to managers and units.

The Service should adopt these alternatives in order to reduce its need for clerical and administrative support, especially for supervisors and managers, which is often a privilege of rank rather than a business necessity. The current practice of providing dedicated clerical and administrative support to members above a certain rank should be re-examined with a view to significantly reducing this practice. Consistent with practices in other organizations, provision of clerical and administrative support must be based strictly on business necessity.

It is recommended that alternatives, such as clerical pools and centralized call centres, be implemented and the practice of providing dedicated support to individuals be restricted. These structural changes should be made through attrition and/or redeployment to the extent possible.

2.4 Front Desk Staffing in Police Divisions

The current practice in divisions is to staff front desk operations with uniform personnel. I believe this requires review to determine the extent to which civilian personnel can perform this function. There may be minimal risk in making this change, given the presence of a Staff Sergeant at all times and sound safety measures and there may be opportunities to staff these functions at significantly lower cost.

I recommend that the Board direct the Chief to review front desk operations with a view to ensuring that front desk functions in the police divisions are performed by civilian staff where possible.

2.5 Review of Negotiated Practices

The collective agreements with the Toronto Police Association (TPA) and the TPS Senior Officers Organization (SOO) contain several provisions related to human resources that have a significant cost implication. They are historical in nature and may have been justified when they were agreed to. It is open to question whether they continue to be relevant to today's reality.

I am referring specifically to two provisions: shift schedules, and two-officer patrols. These are contained in the collective agreements with the TPA.

During negotiations with the TPA in 2005, an agreement was reached to establish a joint process to review the shift schedules for a Compressed Work Week with a view to eliminating any overlaps, ensuring that deployment was consistent with service needs and paying attention to officers' need for rest and work/life balance. Consultants were hired by the Board and the TPA to undertake the necessary research and recommend new arrangements.

For reasons of mutual trust and various disagreements, the project took much longer to complete than was originally envisaged. At present, certain changes are being tested through pilot projects. Overall, as a recent report from the Chief informs us, the results are not encouraging and the benefits derived are marginal.

Improvements in shift schedules are needed not only for service efficiency but also for indirect savings through optimal use of human resources. I, therefore, recommend that the Board learn from the findings of the Chief's report on the pilot projects and invite the TPA to work with the Board on meeting the goals of the agreement reached in 2005.

Another practice that has significant impact on the efficient use of human resources is that of two-officer patrols. This is a long-standing practice, initially ordered by an arbitrator. The Board's efforts to have the order overturned have reached all the way to the Supreme Court. The judicial appeals ultimately failed and the practice has continued ever since, with some modifications.

The requirement to have two officers on patrol at certain times of the day has obvious implications for the officer complement that we must have, the number of police officers who must be deployed in the course of the day and all the attendant direct and indirect costs.

Since the time when this practice was instituted for reasons of officer safety, policing as well as this city have evolved significantly. Officer training has improved, equipment has improved, and communication and safety procedures have improved. I believe it is timely to seek the TPA's cooperation in revisiting this practice with a view to improving its efficiency without compromising officer or public safety.

Therefore, I recommend that the Board discuss with the TPA the possibility of modifying the practice of two-officer patrols.

I believe that the TPA is very cognizant of and sensitive to the financial pressure the Board and the City face. I also believe that it is willing to work cooperatively with the Board in finding ways to deal with the pressure. As evidence of this willingness, I draw the Board's attention to the TPA's agreement to make changes in the areas of sick pay gratuity and legal indemnification.

With goodwill on both sides, it should be possible to find early? solutions to both issues.

The area of human resources is clearly a critical one in terms of meeting the budget target. I believe that the five measures I have recommended have the potential to yield significant and sustainable cost savings. They are intended, as well, to ensure that police officers do what they are hired and professionally trained to do; namely, policing, and civilian personnel are used appropriately and only as needed. Of course, for these savings to be maximized, changes must also occur in a third area, namely, business processes.

3. Business Processes

Policing is a complex business and the TPS is a large and complex organization. Numerous processes are involved in providing policing services that require people, systems, physical resources and technologies. Our objective in seeking an affordable and sustainable service must be to ensure that the organization concentrates on its core business, does it well and at the least cost by using business processes effectively and efficiently.

Historically, the TPS has managed its own business processes, making minimal use of outside resources. Besides performing all policing functions as the only public policing agency in Toronto, the organization takes care of its finances, fleet, human resources, purchasing, payroll, training, information technology and so on. As well, many of the non-policing tasks are labour-intensive.

As a result, the Service maintains a large workforce and requires considerable financial inputs. It is time to determine whether all of these business processes should be managed by the Service and whether there is scope for greater efficiency in the way business is done.

3.1 Performing the Core Business

Section 4 (2) of the *Police Services Act* prescribes the core services that constitute adequate and effective police services.

Core police services

(2) Adequate and effective police services must include, at a minimum, all of the following police services:

1. Crime prevention.
2. Law enforcement.
3. Assistance to victims of crime.
4. Public order maintenance.
5. Emergency response. 1997, c. 8, s. 3.

Section 4 (1) of the *Act* requires a municipality to provide these services “in accordance with its needs.” In addition, the *Act* also makes the Board responsible for providing adequate and effective court security and transportation of prisoners.

A strict reading of section 4 (2) raises a number of questions. Are there services currently being provided that exceed this list? Must all of these services be provided exclusively by the TPS? Do all of the services have to be provided by police officers? These are not solely operational questions; they are very much policy questions insofar as the Board must decide whether the services are being provided in accordance with the city’s needs, regardless of what the answers are.

The fact of the matter is that there are several law enforcement agencies besides the municipal police services, such as the RCMP and the Canadian Border Security Agency (CBSA), engaged in specific areas of law enforcement. Unless there are pressing reasons related to the needs of

this city, the TPS should not be doing or duplicating the work of these other agencies. Cooperation with these agencies, as needed, is different from establishing dedicated units within the TPS for work that falls within their mandates.

I, therefore, recommend that the Chief be requested to inform the Board about the existence of any such dedicated units, the rationale behind them and the steps he would take to define a strictly support role on an as-needed basis.

Besides government law enforcement agencies, the extensive and growing presence of private security agencies is a reality that must be recognized. Increasingly, a large number of public and private institutions are relying on private security agencies for a wide variety of services. Where such arrangements exist, the role of the TPS should be to provide services on request only.

I recommend that the Chief be requested to provide an assessment to the Board of opportunities for devolving certain crime prevention functions, including first-response responsibility, to private security agencies, above and beyond any arrangements that may already exist.

It is my hope that these agencies would be willing to develop a framework whereby they are accountable to the Board for oversight and minimum standards of service.

Finally, in regard to delivering the five services that constitute core business, there is no requirement in the *Act* that each of these services must be provided by police officers. Further, as our experience with parking enforcement, court security, communications and dispatch, crossing guard and pool safety functions demonstrates, well trained civilians, combined with special constables and uniform personnel, can provide adequate, effective and efficient service at a lower cost. In addition, trained volunteers, serving as auxiliary members, play a significant role in crime prevention, law enforcement and public order maintenance at large events as well as neighbourhood and community events.

Based on these experiences, I recommend that the Chief be requested to provide the Board with an assessment of the services that must be provided by police officers, those that can be provided by civilians, special constables and auxiliary members, and those that require a combination of personnel. Further, using this assessment, it is recommended that the Chief also be requested to provide the Board with a plan to use a combination of personnel to provide each of the five core services.

It is intended that the information requested through the above three recommendations will be provided in time for any changes to be introduced in 2012 and, thus, contribute to achieving the 2012 reduction target.

These recommendations are prompted by several considerations:

- The Board should provide only those services that are defined as “core police services” in the *Act* and do so in accordance with the City’s needs.
- Services provided by other public and private agencies should not be duplicated.

- Uniform personnel should be used strictly, or to the maximum extent, for those policing functions that cannot be performed by non-uniform personnel.
- Other personnel, including civilians, special constables and auxiliaries, should be used wherever possible.

3.2 Use of Premium Pay

Premium pay constitutes a significant element of the salary and benefit envelope in the operating budget. It is recognized that the Service has held the line on this cost element for several years. Given the hiring freeze in effect now, the likelihood of a continuing and broader freeze as well as the additional recommendations provided here, a reduction in the need for premium pay can be expected.

The 2012 budget should, therefore, include a significant reduction in premium pay.

Further, premium pay should be allowed only when absolutely essential and must be pre-authorized by the individual's supervisor. Utilization of the premium pay budget will be reported to the Board as part of the Service's operating budget variance reports.

3.3 Use of Alternative Training and Education Approaches

Training and education play a crucial role in ensuring that people have the knowledge and skills required for today's policing, organizational and social environment. They are important for managing risk. The Board has consistently emphasized the need for and supported the provision of high-quality training and education.

The Board should continue its emphasis and support in this area. At the same time, we should question whether the approaches currently being used with respect to training and education are our only option. As City of Toronto Auditor General, Jeff Griffiths, noted in his 2006 audit of training and education in the TPS, these approaches are quite expensive. According to the Auditor General: "The cost of training at the Toronto Police Service is significant but has never been fully determined. Consequently, it is not possible to assess whether the Police Service is receiving value for money for its investment in training, nor is it possible to benchmark training costs against other police services".. In the present circumstances, the cost of training may even be deemed unaffordable.

A large portion of the training is provided at the Toronto Police College, a unit of the Service. While greater use is being made of web-based training, the majority of the training is in-class and conducted, for the most part, by police officers. In addition, members of the Service receive training from institutions such as the Ontario Police College, the Canadian Police College, the FBI National Academy and the University of Guelph-Humber. In addition, they participate in conferences and seminars organized by the Ontario Association of Chiefs of Police (OACP), the Police Association of Ontario (PAO) and the Canadian Association of Chiefs of Police (CACP), among others. Some members attend educational events in other countries as well.

At the same time, the Service organizes and hosts several training conferences that are national and international in nature.

I believe these are valuable activities – for the participating individuals as well as for the Service as a whole. However, at a time when the Board is called upon to make deep reductions in the budget, an extensive training and education program is simply not sustainable. I, therefore, recommend that the Service:

- develop a new, more modest training and education plan that focuses on areas of learning that are mandated or are required to minimize risks;
- except where absolutely essential, provide training using e-learning tools;
- utilize instruction by police officers only where necessary;
- take advantage of community-based or offered training and education opportunities wherever possible;
- limit attendance at out-of-town (and out-of-country) educational events to an absolute minimum and only where such attendance is critically important for the organization; and,
- ensure that it does not host any conference more than once every three years, making sure, as well, that non-Service attendees pay their full true cost.

In other words, all efforts need to be made to achieve a significant reduction in the budget for training, education, conferences and travel. These changes should begin to be made in time for significant cost impacts to be realized as of the 2012 budget cycle.

3.4 Use of Facilities and Equipment

Policing is a resource-intensive activity. It depends on an extensive inventory of buildings, office equipment, computer, radio and telecommunications hardware, clothing, safety gear and a variety of vehicles, among others, to provide service. Buildings, equipment and vehicles also involve regular maintenance and replacement. As these are all essential items for conducting operations, it may appear that there is very little room for finding economies.

However, as a senior executive of a large, multinational corporation once advised, while commenting on the TPS budget, “Question every item of cost; take nothing for granted.”

One area where opportunities to find savings may be looked for is that of lifecycle replacement. Operational necessity and officer safety require that vehicles used for patrol purposes and protective equipment is, at all times, in the best condition. As such, they will always need to be replaced with greater frequency. However, this is not the case with respect to non-patrol vehicles, facilities and most other equipment.

Lifecycle replacement of several items and vehicles is carried out according to a process developed some years ago in consultation with the City and other City agencies.

I recommend that the Chief review this process with a view to determining whether the timeframe for replacement of these items and non-patrol vehicles can be extended beyond their present timeframe and to what extent. Further, the Chief should be requested to advise the Board about potential for savings in the 2012 budget cycle.

I am aware that the Service already attempts to maximize the life of buildings and certain items. The intent behind the recommendation is to apply the practice to as many types of facilities and equipment as possible.

3.5 Use of Technology

A number of front-line and back office functions are currently carried out using uniform and civilian staff. These include, for example, receiving reports of vehicle accidents, administration of paid duty, management of property and evidence, transfer of documents, responding to requests for information, and so on.

Given the availability of off-the-shelf technology-based tools, there is a strong case to be made for replacing many of these people-based functions.

I recommend that the Board direct the Chief to identify and implement technology solutions, wherever feasible, for the kinds of functions listed here, beginning in the 2012 budget cycle.

3.6 Use of Alternative Customer Service Methods

Each year, the Service receives a very large volume of requests for criminal records and police background checks. A user fee is charged for processing these requests and a team of dedicated staff is assigned to this task. Whether the user fee charged is sufficient to cover the true cost of the operation is open to question. And even if it did, this is not a core service.

It is, however, an important service and there may be another method of providing it that is equally, if not more, efficient, creates less demand for human resources and costs less. I understand that there are private entities that provide this service on-line, for a fee, which they share with the police service. I further understand that the service they provide is fast, completely confidential, and being entirely on-line, does not involve any line-up.

It would appear, then, that outsourcing of criminal records and police background checks to one of these providers can be beneficial to both, the Board and the requester of service.

I, therefore, recommend that the Board approve, in principle, the outsourcing of this particular service pending a full report from the Chief within two months, of the feasibility and financial implications as well as the human resources impact of this alternative method of providing this service.

3.7 Use of Alternative Business Practices

As mentioned earlier, historically, the Service has managed all of those business practices that are required to support its core business, namely, delivery of policing services. These include, but are not limited to, financial management, human resources management, legal services, purchasing, fleet management, property maintenance and construction, and information technology support. In addition, the TPS builds its own stand-alone facilities. The only exceptions are 43 Division, which shares a building with EM S and the Toronto Police College which shares its facility with the Department of National Defense.

Whatever the historical reasons, the result is that a large administrative and professional staff as well as significant operating and capital funds, are involved in maintaining these practices. Also, numerous uniform personnel are assigned to many of these functions, taking them away from policing functions.

In light of the current fiscal reality, it is necessary to explore options such as participation in shared services, divestment of functions and partnerships. There is no reason why, for example, attendance management and payroll cannot be looked after by a private provider. Further, I expect that the City's review of shared services will identify financially more efficient possibilities in respect of certain functions.

The Board must ensure that the maximum resources are dedicated to the core business of providing policing services, and other personnel are used only as absolutely necessary.

For these reasons, I recommend that:

- the Board approve, in principle, that, wherever possible and financially viable, it will seek an alternative method of performing functions that are not directly related to the delivery of policing services; and,
- the Chief report to the Board within two months on functions, or parts of functions, that can be divested along with suitable options, a cost-benefit analysis and an implementation plan beginning in the 2012 budget cycle.

It is expected that these seven strategies in the area of business processes will not only contribute in large measure to attaining the 2012 budget target but also result in an ongoing, sustainable cost of policing. At the same time, they will further enhance and strengthen the delivery of core policing services by facilitating the deployment of majority of uniform personnel for policing duties.

4. Advocacy

The rise in the cost of policing has been caused by internal factors as well as external factors. As I have described earlier, while local police services have increasingly assumed a role in areas of policing that may be said to properly belong to other jurisdictions, there has been no stable and predictable funding available for this role.

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The province has now agreed to partially take over the cost of court security and prisoner transportation over a number of years. It has also agreed to lead a review of regulatory and judicial requirements that have increased the administrative burden on police officers with a view to streamlining and simplifying them.

The federal government is yet to consider its responsibility in this regard.

In the meantime, both orders of government enact new legislation that continues to add to the demands on policing, with scant regard for cost implications.

I, therefore, recommend that the Board request the Mayor and the City Council to join the Board in advocating that the federal government accept its share of the cost of policing.

Toronto City Council has already adopted a motion in this regard. There is now a need to follow up with action, directly and through organizations that are already active, such as the FCM and the Coalition on Sustainable Policing. The voice of Toronto can carry much weight.

CONCLUSION

Over the past several years, the Board and the Service have worked hard to contain the growth in police expenditures, as the following breakdown shows.

Table 5 – Net Budget Increases, Including Salary Settlements, 2005-2009

Year	Net \$ Increase (in millions)	% increase
2005	\$38.6	5.70
2006	\$36.3	5.07
2007	\$33.8	4.49
2008	\$35.8	4.55
2009	\$32.8	3.99

As the figures show, despite the fact that during these years the Board negotiated two collective agreements with the TPA, the annual net increases have generally maintained a downward trend. As well, in those five years, the police have returned to the City unspent funds of approximately \$20 million. This has been done while absorbing City-requested reductions totalling approximately \$22 million in the operating budget.

This downward trend in budgeting has been maintained at a time when the City was required to respond to the crime situation in Toronto by increasing the strength of the Service by an additional 450 officers.

While these efforts must be acknowledged, the fact is that the cost of policing continues to escalate and has reached a point which is not sustainable.

This pattern needs to be reversed through a series of short- and long-term actions that form part of a comprehensive and multi-pronged strategy such as the one proposed in this Discussion Paper. It is a strategy that complements and incorporates the objectives of the City's core service and service efficiency reviews, being based on the principle of focusing on the core policing services that the *Police Services Act* prescribes.

The strategy calls for a smaller Command and senior management team, a different organizational structure, maximization of the use of police officers for policing functions, more efficient use of human resources, adoption of more cost effective business processes and reduction in the total workforce through attrition and redundancy.

APPENDIX – SUMMARY OF RECOMMENDATIONS

1. Organizational Structure

1.1 The Command

The size of the Command be reduced.

Roles within the Command be streamlined to achieve a clearer separation between policing operations and business processes.

1.2 Management and Supervision

A more streamlined management and supervision structure be established, including, specifically:

- a reduction, through attrition, in senior ranks, with no new Staff Superintendents and Staff Inspectors being appointed;
- immediate discontinuation of the practice of appointing 2 I/Cs, except where the span of control justifies such appointments;
- elimination, with immediate effect, of the practice of appointing a uniform manager in units with civilian managers; and,
- to the maximum extent possible, return of uniform members to policing functions.

1.3 Administrative Units

The Board direct the Chief to:

- reduce the number of administrative units through amalgamation of smaller units so that there are fewer managers with larger spans of control;
- discontinue the practice of deploying uniform officers in supervisory ranks to non-supervisory positions, especially in non-policing functions; and,
- return all such uniform officers to policing functions.

2. Human Resources

2.1 Reduction through Attrition

The Board implement a freeze on all new hiring (including replacement of vacancies), non-contractual reclassifications, promotions and non-essential acting assignments for the balance of 2011 and all of 2012, with exceptions made only where there is statutory or Collective

Agreement obligation or where there is a risk to operations or public safety. The latter must be based on a full justification being provided to the Board for each exception. The new freeze must be comprehensive and apply to all units.

The Board consider withdrawing from the federal PORF program and also review its participation in the provincial programs, if they result in a uniform strength that is higher than the authorized strength and impose an additional pressure on the budget.

2.3 Modernize Support Systems for Managers

Alternatives, such as clerical pools and centralized call centres, be implemented and the practice of providing dedicated support to individuals be restricted. .

2.4 Front Desk Staffing in Police Divisions

The Board direct the Chief to review front desk operations with a view to ensuring that front desk functions in the police divisions are performed by civilian staff where possible.

2.5 Review of Negotiated Practices

The Board invite the TPA to work with the Board on meeting the goals of the agreement reached in 2005 with respect to shift schedules.

The Board discuss with the TPA the possibility of modifying the practice of two-officer patrols.

3. Business Processes

3.1 Performing the Core Business

The Chief inform the Board about the existence of any units dedicated to perform functions that come under other jurisdictions, the rationale behind them and the steps he would take to define a strictly support role on an as-needed basis.

The Chief provide an assessment to the Board of opportunities for devolving certain crime prevention functions, including first-response responsibility, to private security agencies, above and beyond any arrangements that may already exist.

The Chief provide the Board an assessment of the services that must be provided by police officers, those that can be provided by civilians, special constables and auxiliary members, and those that require a combination of personnel. Further, using this assessment, the Chief also provide the Board with a plan to use a combination of personnel to provide each of the five core services prescribed in the *Police Services Act*.

3.2 Use of Premium Pay

The 2012 budget include a significant reduction in premium pay.

Premium pay should be allowed only when absolutely essential and must be pre-authorized by the individual's supervisor.

The Chief report utilization of the premium pay budget as part of the Service's operating budget variance reports.

3.3 Use of Alternative Training and Education Approaches

The Service:

- develop a new, more modest training and education plan that focuses on areas of learning that are mandated or are required to minimize risks;
- except where absolutely essential, provide training using e-learning tools;
- utilize instruction by police officers only where necessary;
- take advantage of community-based or offered training and education opportunities wherever possible;
- limit attendance at out-of-town (and out-of-country) educational events to an absolute minimum and only where such attendance is critically important for the organization; and,
- ensure that it does not host any conference more than once every three years, making sure, as well, that non-Service attendees pay their full true cost.

3.4 Use of Facilities and Equipment

The Chief review the process for replacement of equipment with a view to determining whether the timeframe for replacement of certain equipments and non-patrol vehicles can be extended beyond their present timeframe and to what extent.

The Chief advise the Board about potential for savings in the 2012 budget cycle from extending the timeframe for lifecycle replacement.

3.5 Use of Technology

The Chief identify and implement technology solutions, wherever feasible, for the kinds of functions listed in the Discussion Paper, beginning in the 2012 budget cycle.

3.6 Use of Alternative Customer Service Methods

The Board approve, in principle, the outsourcing of criminal record and police background checks pending a full report from the Chief within two months, of the feasibility and financial implications as well as the human resources impact of this alternative method of providing this service.

3.7 Use of Alternative Business Practices

The Board approve, in principle, that, wherever possible and financially viable, it will seek an alternative method of performing functions that are not directly related to the delivery of policing services.

The Chief report to the Board within two months on functions, or parts of functions, that can be divested along with suitable options, a cost-benefit analysis and an implementation plan beginning in the 2012 budget cycle.

4. Advocacy

The Board request the Mayor and the City Council to join the Board in advocating that the federal government accept its share of the cost of policing.