

Let me first start by thanking City Council for your support for policing in London. We hope that you will continue to invest in your police service to maintain services and the necessary funding for new strategies to ensure we continue to provide adequate and effective policing to our community.

Policing the City of London is not static, or necessarily a predictable undertaking; rather, it has become an increasingly complex environment in which to serve community needs.

There are emerging crime trends, which often come with a growing city, and workload demands placed on police members from judicial decisions, legislative requirements, technology, and social issues. The downtown intensification and infill in other areas of the city bring changes to the manner in which we need to provide policing. The pressures and demands for service require resources to meet these demands; not only to respond to calls for service but also to provide a visible presence in neighbourhoods to prevent crimes.

The London Police Services Board operates within the legislative framework prescribed by the Police Services Act, Adequacy Standards and Regulations which requires police services to develop a business plan at least once every 3 years.

The Business Plan defines the strategic direction, focus and operational priorities over the course of a three year period to address the mandated 5 core police functions and the priorities that came to our attention during the development process.

In accordance with their legislative responsibilities, the Chief in direct consultation with the London Police Services Board must carefully study and determine the level of service that is required to ensure adequate and effective policing that maintains the safety and security of our community.

The cost of supporting the work within the Business Plan and other programs and services is incorporated in the human resource requirements and is reflected in the Annual Operating Budget.

The London Community receives outstanding value for its investment in municipal policing. We don't arrive at the low portion of the tax levy or the low operating cost per staff by luck we arrive at those places because organizationally there is a fundamental understanding that we must conduct all operations of this service in a fiscally responsible manner.

The London Police Service Operating Budget is a responsible and reasonable approach given the pressure that we are facing. The largest cost driver is personnel costs, followed by other contractual obligations that are out of our control.

In an organization where approximately 92% of the operating budget is allocated to human resource costs it provides for the least opportunity for reductions without impacting our statutory obligation to ensure adequate and effective police service.

The biggest non personnel cost drivers 2016 through 2019 are technology maintenance, insurance, WSIB costs, ammunition and utilities. The increases to technology maintenance are critical infrastructure to maintain our day to day operations.

Increases in our insurance premiums and self-insurance reserve expenses were set by the Municipality and are not within our control.

There exist both short-term and long-term risks with the operating budget. Revenue from the province that offsets costs relative to PAVIS, Cybercrime and other programs is not guaranteed. As such, we cautiously assume monies for the various provincial initiatives will continue in future years.

There is risk in the multi-year budget process that must take into account known information or information that can reasonably be forecasted. While inflation and other known factors can be built in, it is likely that there will be some requirements for unforeseen events ranging from new legislation to the price of fuel or other utilities to major investigations. This reinforces the need for an annual review of projections.

In September 2015 the London Police Services Board approved the draft 2016-2019 operating budget with the provision that the submission may be subject to change with respect to a request for additional human resources. As indicated at the time, the Administration continued to assess current and projected staffing requirement through 2019. The human resource demands resulted in the revised budget that was approved by the London Police Service Board in November 2015.

So, what evidence do we use to prepare our staffing projections?

By way of background a Workload Analysis was completed in 2010 with related staffing recommendations that were required to meet demands.

In 2012, the Administration conducted a comprehensive Service Model Review that focused on programs we deliver to the community.

The Service Model Review was necessary due to a succession of police budgets approved by Municipal Council that were for amounts less than that recommended by the Police Services Board. Our ability to maintain existing services within the budget allocations had reached the point that adjustments had to be made to reduce the impacts of human resource costs within the overall budget.

The Administration in consultation with the Police Services Board continued to seek out efficiencies across all operations that resulted in adjustments in an effort to maintain critical core services. These include, but are not limited to:

- Closing the Lambeth substation
- Transferring of the Crossing Guard Program back to the City
- Civilianization within various units
- The elimination of 14 full time and 1 part time position

- Uniformed Officers no longer responding to fraud complaints requiring citizens now to attend Police Headquarters with the evidence packages
- Uniformed Officers no longer responding to stolen vehicle reports with the vast majority now being processed by telephone
- Reductions in staff within the Community Services Unit – specifically the Secondary School Resource Officers, School Safety Officers and Crime Prevention area
- Reduction in services by our Victim Services and Crisis Response
- Closing of Police Headquarters between 11pm and 7am

We can call these efficiencies but make no mistake about it – some of these changes reflect a degradation of service. This City has not seen an increase in the complement of its police service since 2012.

A 2014 audit by pWc found that of the Tier 1 Ontario Municipalities with populations greater than 100,000, the London Police Service has 156 officers per 100,000 population compared to the average of 166 officers per 100,000 population. Further, the London Police Service has a lower actual operating cost per capita meaning there are strong cost reduction measures around non-personnel expenses.

The following is a summary of some of our current challenges:

The global war on terrorism and other organized crime is truly borderless but impacts us directly at the local level. Street Gangs require ongoing attention in order to effectively suppress the violence and blatant disregard for public safety these groups pose. There are increased requirements for covert and non-covert support relative to these investigations as well as our responsibility for the management of high risk offenders in the community. Much of the work within this area occurs behind the scenes and is not captured in crime or call for service statistics. A lot of the work involves managing high risk individuals and other threats in our community. There is a crime prevention component – again, not captured in police statistics. One specialty unit within the division that supports these investigations has seen no increase in complement since 1991. Much has changed globally and locally since 1991.

As a more specific example, we have significant challenges in conducting human trafficking investigations. Until the late 1990's the LPS deployed a dedicated "Vice" Unit which investigated prostitution and escort related offences. As years passed, competing priorities led to the redeployment of all of those officers to other areas of the service. In the interim years, the nature of the illegal sex trade became more sophisticated and organized. We have not kept pace. Predators now operate online, in hotels and motels, and frequently move vulnerable young women across jurisdictions as a tactic to frustrate the efforts of law enforcement and to maintain control over victims. This is a pervasive and growing trend. On any given day, there are anywhere from 30-200 online advertisements for escorts in London. These investigations are complex, time consuming and require a dedicated and sustained response to interrupt criminal activity and to assist and support victims or potential victims in escaping these situations and throughout the court process. The LPS has no full time dedicated staffing to conduct these

investigations, engage in proactive/preventative strategies and we do not have the capacity to fully partner with other services or organizations in an effective manner. This is not sustainable and creates risk of further victimization.

Our Training Unit provides ongoing use of force training to all sworn officers and Special Constables. The vast majority of this training is legislated as is scheduled recertification training. In fact, there is little discretionary training conducted by the Unit. Coroners' inquests have recommended increased deployment of CEWs and additional use of force training including de-escalation techniques when dealing with persons in mental health crisis.

There is insufficient staffing to deliver mandated training without affecting front-line service delivery. A training model that relies on overtime and frequent secondments from operational areas is not sustainable. Given the present staffing, there is a high risk that required training will not be delivered within mandated timeframes and/or required maintenance on equipment will not be performed.

There are a number of costs in this budget to meet new demands invoked on us by other ministries or levels of government.

In accordance with the Police Services Act, the Board is responsible for providing security to court premises when they are in operation. This includes the movement of prisoners to and from court rooms and detention facilities.

Additional court rooms at the Provincial Court House are in operation now that was not when the staffing model was developed. In addition, the Superior Court of Ontario now has court rooms operating in the summer months.

We have not kept pace with this growth. As a result, court security, which is normally provided by civilian Special Constables, is being supplemented by sworn members from the front line and other areas who are transferred to assist with court duties on a daily basis to ensure we maintain compliance with the Act. Transferring resources from other areas on a consistent basis is not sustainable and affects front-line service delivery, namely vehicle and foot patrols. In addition, the practice of using sworn members to supplement non-sworn roles is counter-intuitive as we move towards civilianizing other areas of the service, which is more cost efficient.

The CRTC has mandated the provision of 911 services for the deaf, hard of hearing and speech-impaired community. This service, and other service enhancements, will be delivered via Next-Generation 911 (NG911) which is an IP-based system that allows for digital information (e.g., voice, text, video, photos) to be processed through the 911 network and to emergency responders.

The first phase of NG911 was completed in 2015 (the capturing of all calls including "dropped") with further enhancements (text) commencing in early 2016.

Access to 911 services is critical to the health and safety of all Canadians and the enhancements to 911 improve access for those with disabilities. Adequate staffing is required to maintain 911 standards (call answer times) and to ensure accurate and adequate information is provided to the appropriate emergency service in a timely manner to ensure optimum safety for the public and first responders

We also have a growing demand for service based on our growing city and changing nature of our community.

As a result of increased demand, the Downtown Community Foot Patrol Unit now covers a larger geographic footprint. Demands for service have increased to include Hamilton Rd, SoHo, Argyle and the Old East business districts as well as a growing network of parks and bike paths. The demand for high visibility foot and bicycle patrols is consistent information obtained through all public consultations, surveys, and complaints received from merchants, residents and city councilors.

Present staffing and competing priorities do not allow for a consistent and effective police response in the Unit's expanding area of responsibility. Sufficient staffing will enhance our ability to develop and promote community-based initiatives, enhance our ability to deter and prevent crime through a consistent visible presence across a broader geographic area, and enable a service level that is commensurate with development and infill in the core area in accordance with the City's Strategic Plan.

As a result of our comprehensive workload assessment 13 positions (11 police and 2 civilian positions) have been prioritized for implementation in 2016 to specifically address the challenges we are facing. In the spirit of cooperation we worked closely with the Police Services Board and the Civic Administration to mitigate increases to the 2016 baseline budget and divide our resource needs through the tax base and funding opportunities through assessment growth.

It is critical that discussions related to these human resources are not separated; they are connected and are immediate needs to provide adequate and effective police service.

Within the 2.5% requested increase for the 2016 operating budget is \$900,000 for 5 police and 1 civilian position. In addition, \$911,212 is requested from assessment growth for funding towards 6 police and 1 civilian position.

The needs for additional human resources have been identified beyond 2016 and are not reflected within 2017 to 2019 operating budgets. As we move through the budget cycle, the Administration will continue to evaluate service priorities and track changing trends and workload prior to making further specific staffing recommendations. With these staffing requirements in mind; discussions with the London Police Services Board and Civic Administration, application for assessment growth for 2017 through 2019 to support increases consistent with growth of the City was requested as placeholders.

In summary, The pressures and demands for service as a result of a growing city, infill, intensification, increased traffic, pedestrian activity, emerging trends and workload demands require a corresponding growth in human resources.

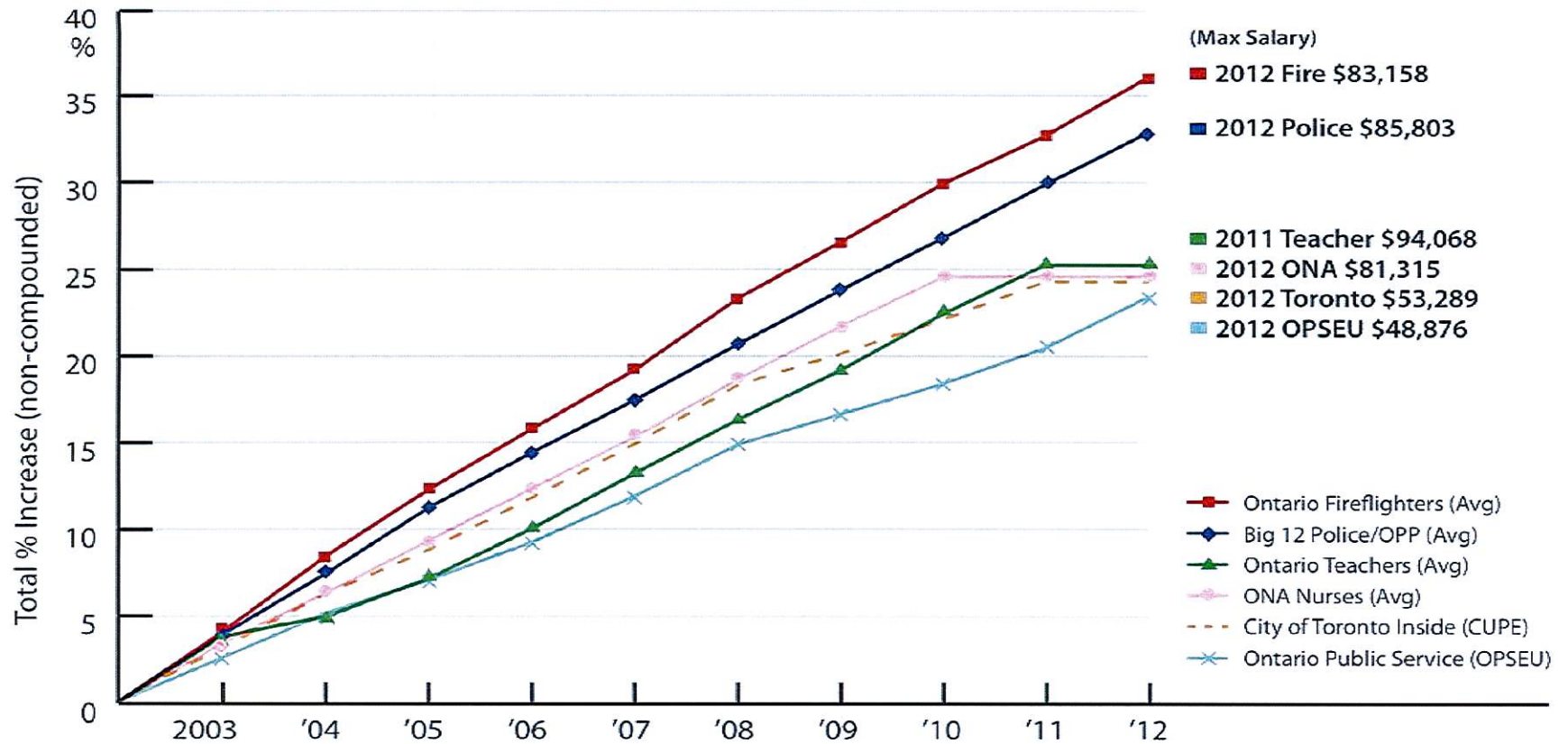
We have already completed a number of program evaluations, realignment and restructuring of resources, and even the reduction in programs and services in an effort to augment the shortage of positions to meet the service demands of our community. Re-allocating positions just shifts service demands from one area to another and is no longer sustainable. It is resulting in a deterioration of service delivery and organizational wellness that is impacting our ability to provide adequate and effective police service. For all of these reasons, we ask council to support what we believe is the budget we need to provide adequate service to our community.

Wage Growth in BPS since 2003

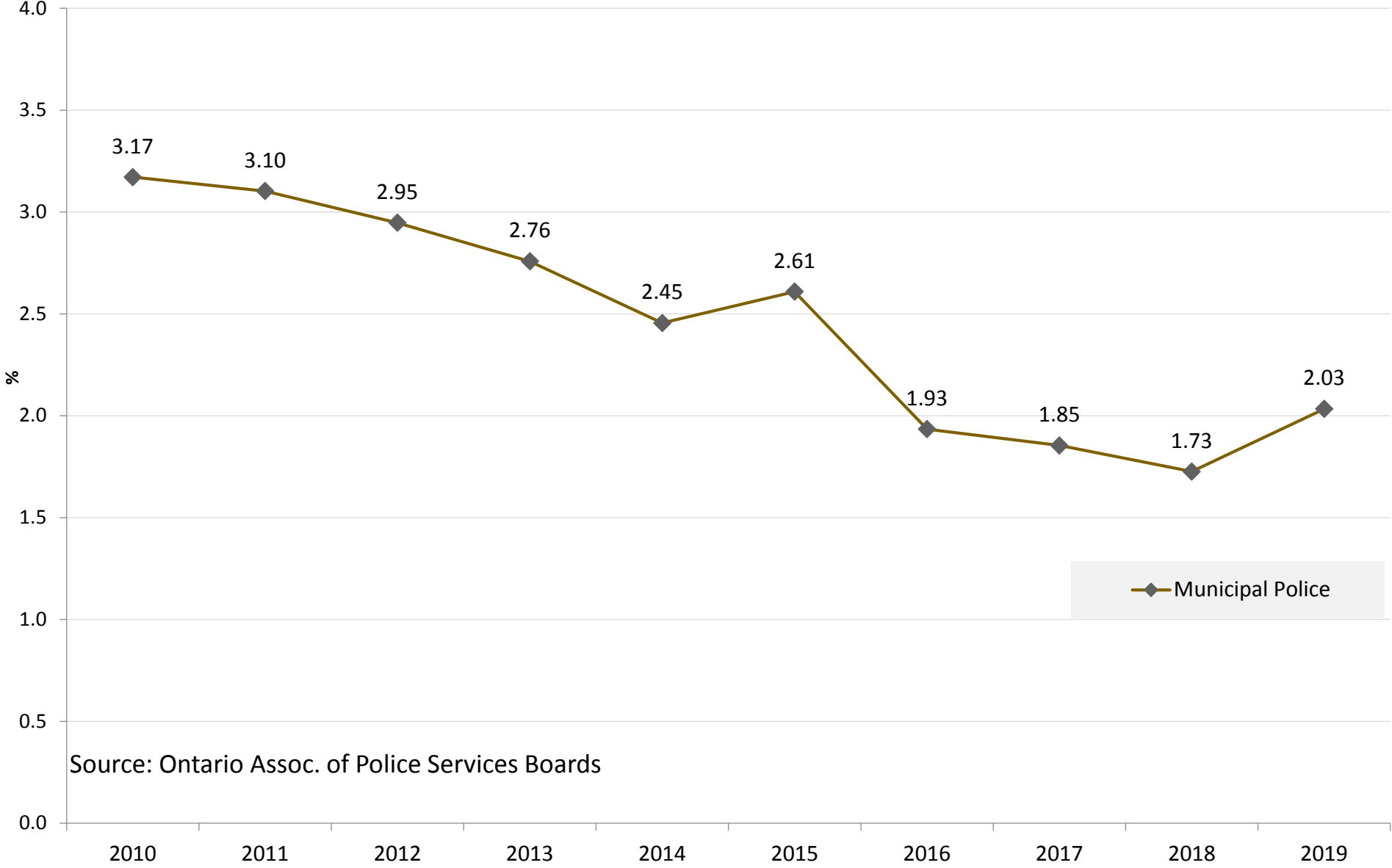


Wage Growth in the Broader Public Sector (BPS) since 2003

Source: Ontario Ministry of Labour



Ontario Municipal Police Services | Average Negotiated Base Wage Increases



Source: Ontario Assoc. of Police Services Boards

POLICE CONSTABLE 1st CLASS - Base Salary, % Increases and Rates Comparison

Comparators	Employer	Employees #	2013			2014			2015			2016			2017			2018			2019(5)		
			\$	%	\$MM	\$	%	\$MM	% (2)	\$	\$MM	%	\$	\$MM	%	\$	\$MM	%	\$	\$MM	%	\$	\$MM
11 Largest Municipal Police Services & OPP	Durham	1,197	87,855	2.51%	90,057																		
	Halton	927	87,832	2.53%	90,054			2.92%	92,683		2.25%	94,773		1.90%	96,574		1.80%	98,312					
	Hamilton (3)	1,060	86,989	2.76%	89,389			2.82%	91,909														
	Niagara	1,028	88,031	2.52%	90,245			2.52%	92,515														
	OPP	8,200	83,483	8.55%	90,621																		
	Ottawa	1,940	88,044	2.50%	90,245																		
	Peel	2,765	88,151	2.50%	90,355			2.01%	92,171		2.55%	94,523		1.96%	96,373		2.16%	98,451		2.00%	100,420		
	Sudbury	383	87,738	2.66%	90,076			2.11%	91,976		1.09%	92,978		2.02%	94,857		2.00%	96,757		2.31%	98,992		
	Toronto	8,380	88,844	2.00%	90,621			2.76%	93,126		1.96%	94,948		1.91%	96,757		1.75%	98,452					
	Waterloo	1,074	87,738	2.98%	90,349			2.75%	92,834		2.20%	94,876		1.90%	96,679		1.90%	98,515		1.94%	100,427		
	Windsor	610	87,934	2.69%	90,300			2.78%	92,806		1.91%	94,578		1.91%	96,383		1.81%	98,126		2.11%	100,200		
York	2,000	88,534	2.36%	90,621			2.65%	93,022															
Average (4)		87,598	3.02%	90,244			2.57%	92,560		2.04%	94,446		1.93%	96,271		1.90%	98,102						
Notable Regional Settlements	Alymer	16	85,435	3.00%	87,998			3.00%	90,638		3.00%	93,358											
	Brantford	190	88,025	2.82%	90,506			1.50%	91,864		0.00%	91,864											
	Chatham	230	87,043	2.52%	89,233			1.25%	90,349														
	LaSalle	38	87,450	3.02%	90,091			3.02%	92,814		3.02%	95,615											
	North Huron	7	81,871	2.00%	83,509			2.00%	85,179		2.50%	87,308		3.00%	89,928								
	Sarnia	179	87,755	3.02%	90,407			3.02%	93,140		3.02%	95,956											
	St. Thomas	88	85,503	3.00%	88,068			3.00%	90,710		3.00%	93,432											
	Stratford	75	87,973	2.72%	90,365																		
Woodstock	97	88,148	2.50%	90,352			2.77%	92,853		2.77%	95,424		2.77%	98,066									
London (5)		809	87,930	2.60%	90,216	93,165,791	1.95%	91,975	\$1,673,526	0.95%	92,849	\$834,381	0.95%	93,731	\$846,613	0.95%	94,621	\$859,233	3.68%	98,104	\$1,145,492		

Source: Ontario Association of Police Service Boards

Footnotes:

- (1) London Personnel Expense only. Estimated Operating Budget assuming 0% increase for all other expense items. NOTE: Benefit increases and experiential pay is part of base pay and therefore IS included in the above calculations
- (2) Year-over-year % and salary increases as of Jan 1.
- (3) Hamilton Agreement awards an annual % increase in the years 2016-18 that keeps their salary as the 3rd highest in the province.
- (4) Average 1st Class Constable Salary of Big 11 and OPP
- (5) Potential MVA Impact (highlighted orange shade) to be awarded in Dec 2018 for 2019. Increase is an estimate only.