



Inspecting policing
in the **public interest**

North Yorkshire Police's response to the funding challenge

July 2013

Contents

North Yorkshire Police: Executive summary	3
The challenge	5
Progress in making savings: Years 1–2	5
Plans for Year 3–4	5
Looking beyond the current spending review	5
The scale of the challenge in North Yorkshire	5
Demand	6
How difficult is the challenge?	6
Response to the challenge	7
Changes to workforce numbers	7
Changes to the proportion of workforce on the front line	8
Collaboration	9
Managing change	10
How is the force engaging police officers, PCSOs and staff in the change programme?	11
How effective has the response been?	11
Impact of the changes on the public	12
Visibility	12
Calls for service	13
Crime	13
Victim satisfaction surveys	14
Changes to how the public can access services	14
Conclusion	15

North Yorkshire Police: Executive summary

North Yorkshire Police need to cut its spending by £16.1m between 2011 and 2015. This is 10% of its total budget and is lower than the average savings requirement for other forces. Achieving this will not be without challenge as it already spends less per head and has fewer police officers per head than most other forces.

HMIC found the force had made a good start and has plans to find all but £4.6m of the savings. The force was developing savings plans to meet the gap, but had also included some prudent assumptions around changes to the funding it receives. If these assumptions do not materialise, the gap will reduce.

We are pleased that the force is clearly focused on protecting police services in North Yorkshire and while job cuts are inevitable given the size of the budget cuts, the force has protected as far as possible frontline policing with fewer police officer reductions than most other forces.

However, HMIC is concerned that there are still some savings to find before 2015 and then the likelihood of further cuts in spending after 2015. North Yorkshire police has not yet started to properly assess and plan for the next round of cuts.

Financial challenge

North Yorkshire Police has identified that it needs to save £16.1m over the four years of the spending review (i.e. between March 2011 and March 2015).

As a proportion of its overall budget (10%) this savings requirement is lower than most other forces. However, North Yorkshire Police's challenge is harder because the amount of money it spends on policing is already lower than most other forces, it has fewer police officers per head and the amount it spends on each officer is also lower than most other forces. This means that the force faces a bigger challenge because it has less scope to make savings than most other forces in England and Wales and it does not have the benefit of economies of scale.

Progress in making savings

North Yorkshire Police has planned how it will save £11.6m of the £16.1m required by March 2015. It therefore still has a £4.6m¹ gap, although this includes an assumption that £3 million may be lost through changes to police grant to North Yorkshire from the government. This change is increasingly unlikely and would mean that the gap falls to level which we would expect the force to close through under spending in the remaining two years.

¹ The amounts to save may not add up to the total due to rounding.

Changes to the workforce

All forces spend most of their money on staff costs (such as wages and overtime), and so have focused on reducing this expenditure in order to cut costs.² North Yorkshire Police is no exception. It is reducing police officer numbers by limiting recruitment and holding vacancies; as a result, by the end of the spending review period, it is planned that there will be 116 fewer police officers in the North Yorkshire Police. This means the number of police officers will reduce by 8% between March 2010³ and March 2015. This is a smaller reduction than in most other forces.

There is evidence that North Yorkshire Police is successfully protecting frontline posts as it makes these cuts. Between March 2010 and March 2015, the proportion of police officers in frontline crime-fighting roles is planned to increase from 92% to 94%. This compares to an overall increase across England and Wales from 89% to 93%.

The force has also made some police staff redundant and not replaced others as they have left (e.g. through retirements and resignations) as a result, by the end of the spending review period, it is planned that there will be 221 fewer police staff in North Yorkshire Police. This means the number of police staff is planned to reduce by 19% between March 2010 and March 2015. This is more than in most other forces. North Yorkshire plans to reduce the number of police community support officers (PCSOs) by 15 or 8%. This is a smaller reduction than in most other forces.

Impact on the public

HMIC expects forces to make savings without damaging the service provided to the public. We monitor whether they are achieving this by examining recorded crime rates and the results of the victim satisfaction surveys which all forces conduct.

Over the first two years of the spending review, recorded crime rates⁴ (excluding fraud) fell by 18%, which is higher than the figure for England and Wales (13%). Victim satisfaction remains high at 85.3%⁵ which is broadly in line with other forces.

Future challenges

The force has identified the financial challenge for this spending review and developed a plan to make the required savings, which it is currently delivering. The force has started to consider the position beyond 2015 but at this stage has yet to develop plans.

The outcome of discussions between the Police and Crime Commissioner (PCC) and the Chief Constable on which functions (e.g. human resources and management of the buildings and estate) the force will have responsibility for or those which will remain with the PCC is going to be important in terms of how future savings may be managed and delivered.

² See *Adapting to Austerity*, HMIC, London, July 2011, p.13. Available from www.hmic.gov.uk.

³ We use 2010 as our baseline as many forces started to make staff reductions in anticipation of the spending review.

⁴ Crime excluding fraud, as per the new crime classifications released in July 2013 by the Office for National Statistics.

⁵ $\pm 0.9\%$.

The challenge

Over the four years of the spending review (March 2011 to March 2015), North Yorkshire Police identified that it needs to find savings of £16.1m, which equates to 10% of its total expenditure⁶ (which in 2012/13 was £144m). Across England and Wales a 17% reduction in total expenditure is required.

Progress in making savings: Years 1–2

The force successfully made 72% (£11.6m) of the total savings required by March 2015 in the first two years of the spending review period. It achieved this by reducing the number of police officers and staff it employs and restructuring how the force delivers elements of its policing. For example, moving away from geographically based command units to a single force model in 2011, and developing a functional neighbourhood policing model.

Plans for Year 3–4

The savings already delivered leave a funding gap of £4.6m to find before the end of the spending review period. The force is developing plans which include further workforce changes, improved demand management and collaboration opportunities to find these extra savings. The force anticipates achieving under spends over the next two years which will contribute to closing the gap. In addition, the force has made an assumption that it could face a £3m reduction in central government grant if changes were made to the way funding is allocated. While it is prudent to take this approach, it is not yet clear whether or when this will happen. Other forces have not made similar assumptions.

Looking beyond the current spending review

The force has started to consider what savings it might need to make after March 2015, but these have yet to be developed into firm plans.

The scale of the challenge in North Yorkshire

Although North Yorkshire Police faces a considerably lower savings target than most other forces as a low spend and cost force delivering further savings is not without challenge. North Yorkshire:

- already spends less on policing per head of population than most other forces in England and Wales;
- has fewer police officers per head of population than most other forces in England and Wales; and
- the cost of police officers per head is lower than most other forces in England and Wales.

⁶ Based on a gross expenditure baseline in 2010/11.

This means it faces a varied challenge in finding a smaller proportion of spending cuts with less scope to make savings than most other forces.

Demand

Forces face different levels of demand for the service they provide to the public. This section looks at three of the key indicators of demand to provide an overall impression of the challenges each force faces:

- the number of calls the force receives from the public;
- the number of crimes the force deals with, and
- the number of prosecutions (suspects charged with offences) the force brings.

12 months to March 2013	North Yorkshire Police	England and Wales
Emergency and priority calls per 1,000 population	120	134
Victim-based crime per 1,000 population	38.1	54.5
Prosecutions (charges) per 1,000 population	9.1	10.2

This table shows that, in 2012/13, North Yorkshire Police received fewer emergency and priority calls from the public. It has fewer recorded crimes per head of population than other forces, and it dealt with fewer prosecutions than elsewhere.

How difficult is the challenge?

Although a low cost and low spend force, we assess the overall financial challenge to be less difficult than for other forces.

Response to the challenge

Forces deliver their response to the savings requirement through a change programme. Over 80% of a police budget (on average) is spent on staff costs,⁷ and it is not surprising that forces across England and Wales within their change programmes are planning to achieve most of their savings by reducing the number of police officers, PCSOs and police staff they employ.

North Yorkshire Police is no exception. It slowed its recruitment of new police officers and police staff, and reduced the number of police staff. The force plans to make a large proportion of its spending review savings requirement from its pay budget. Most forces are managing to find some of their savings from cutting spending in non-pay areas. This indicates that North Yorkshire Police may also have some opportunities to make savings from reducing expenditure on non-pay areas, such as buildings, cars, and other goods and services.

Changes to workforce numbers

The following table shows the force's planned changes to workforce numbers over the spending review period and compares these to the change for England and Wales.⁸

	31 March 2010 (baseline)	31 March 2015	Change	North Yorkshire change %	Change for England and Wales %
Police Officers	1,486	1,370	-116	-8%	-11%
Police Staff	1,158	937	-221	-19%	-16%
PCSOs	198	183	-15	-8%	-17%
Total	2,842	2,490	-352	-12%	-13%
Specials	184	300	+116	+63%	+60%

Overall, the table shows that North Yorkshire Police plans to lose fewer officers but more police staff than in other forces. It also plans to reduce the number of PCSOs by a smaller amount than other forces.

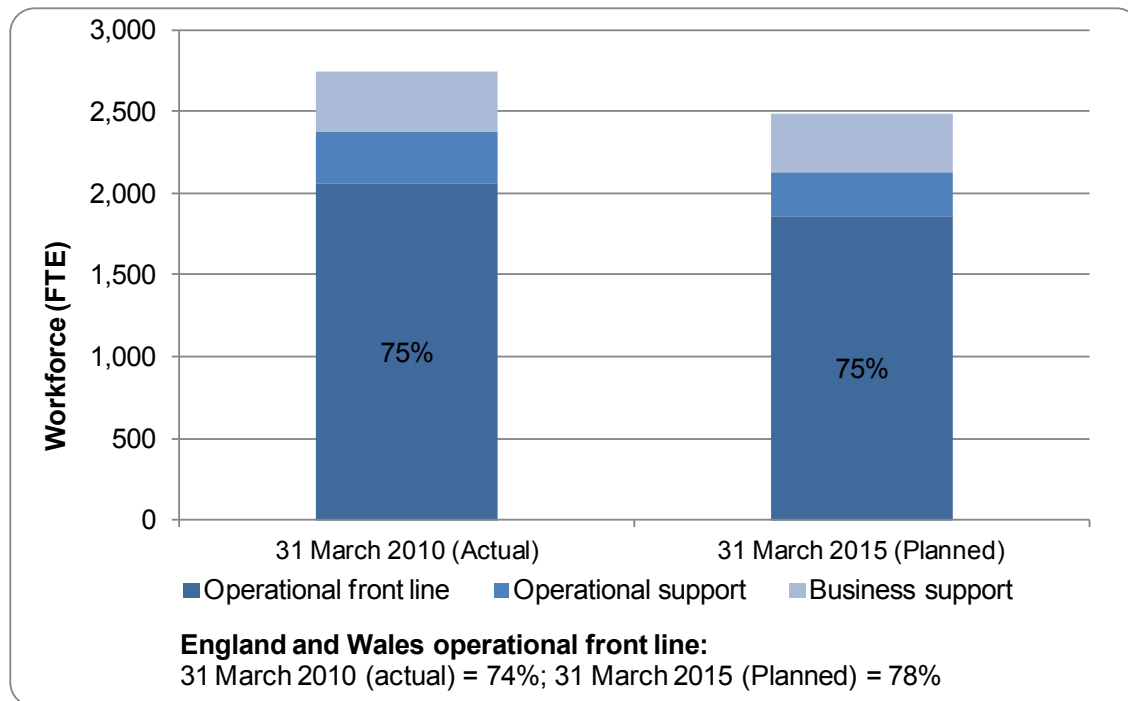
⁷ See *Adapting to Austerity*, HMIC, London, July 2011, p.13. Available from www.hmic.gov.uk.

⁸ Workforce figures for March 2010 show the actual number of people working for the force in permanent posts on the 31 March in that year. People on long-term absences (such as maternity leave) are included in these 'actual' figures, but vacant posts are not. Workforce projections for March 2015 are for budgeted posts, so the actual number of people who will be working for the force at that point in reality may be different, because some posts will be vacant or filled by temporary staff. Forces' projections may also exclude people who will be on long-term absences. The difference between actual workforce numbers and projected numbers should therefore be taken as an approximate expected change.

Changes to the proportion of workforce on the front line

HMIC defines the people who work on the police front line as: *“those who are in everyday contact with the public and who directly intervene to keep people safe and enforce the law”*. It is important that as forces reconfigure their structures and reduce workforce **numbers**, they focus on maintaining (or if possible increasing) the **proportion** of people in these crime-fighting roles.

The following chart shows the change in the workforce frontline profile in North Yorkshire Police.⁹

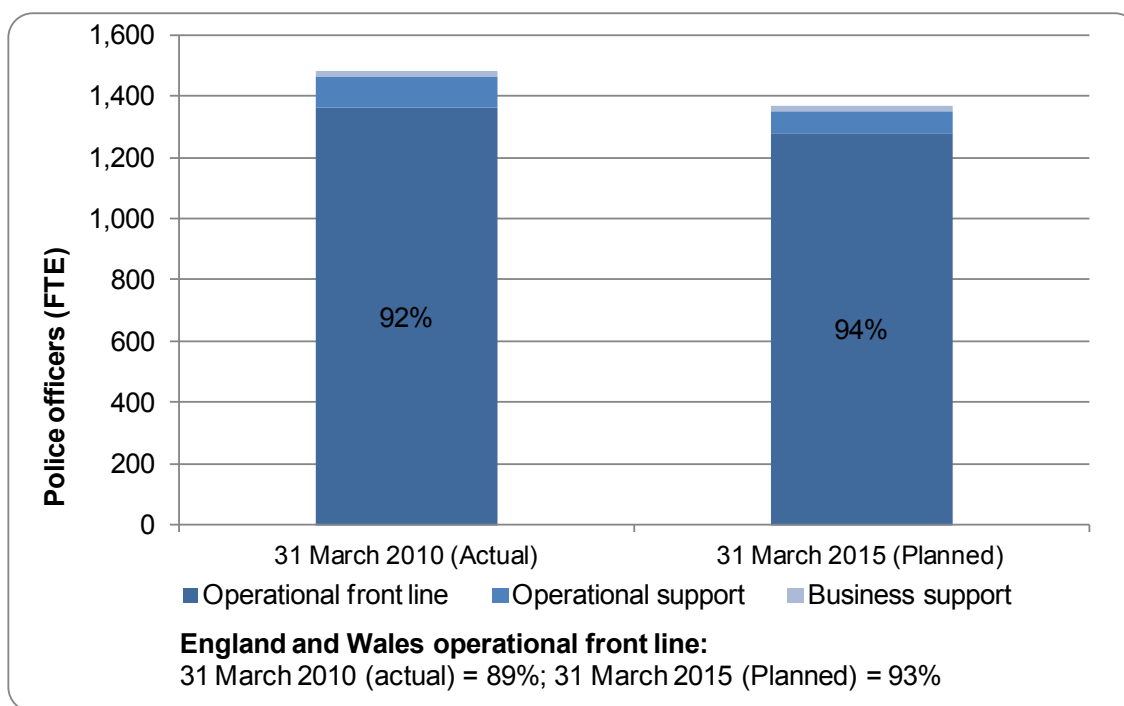


The **number** of officers, PCSOs and staff (i.e. of the force’s total workforce) working on North Yorkshire’s front line is planned to reduce by 10% between March 2010 and March 2015 (from 2,057 to 1,858).

Over the same period, the **proportion** of North Yorkshire Police’s total workforce allocated to frontline roles will remain the same at 75%. This compares with an overall increase across England and Wales from 74% to 78%.

The **number** of North Yorkshire’s police officers in frontline roles is planned to reduce by 6% from 1,361 in March 2010 to 1,281 in March 2015, as the chart on the next page shows. The **proportion** of those remaining on the front line is planned to increase from 92% to 94%. This compares to an overall increase across England and Wales from 89% to 93%.

⁹ From 2010, Gwent, the Metropolitan Police Service, Wiltshire and North Wales police forces chose to code those officers and staff who are on long-term absence from duty due to maternity/paternity leave, career break, full-time education or suspension, and those on long-term leave, to their normal working role. This has the effect of inflating their workforce and frontline figures by up to 1% compared to other forces.



Collaboration

HMIC monitors the force's progress on collaboration¹⁰ because it offers the opportunity to deliver efficient, effective policing and help achieve savings.

HMIC found that the force has actively pursued collaborative opportunities at a local, regional and national level which has resulted in a number of policing services being delivered in collaboration with other forces or organisations. The force is a member of the four force Yorkshire and Humber region, which currently collaborates on services such as procurement and forensic support services. However, at present there is no clear strategy for collaboration or partnering and this is a priority for the Chief Constable.

The force is actively working with local partners, for example, the county council and the fire and rescue service, to explore opportunities to share buildings and support functions.

Despite this activity, in 2014/15 the force expects to spend only 3% of its total expenditure on collaboration, which is lower than the 11% figure for England and Wales. Overall, collaboration is expected to only contribute 1% to the force's savings requirement. The figure for England and Wales is 7%.

¹⁰ HMIC defines collaboration as "all activity where two or more parties work together to achieve a common goal, which includes inter force activity and collaboration with the public and private sectors, including outsourcing and business partnering".

Managing change

Reductions in police budgets have inevitably led to a shrinking workforce. HMIC expects forces also to have an eye within their change programmes on the longer term transformation¹¹ which can help maintain or improve the service they offer to the public and prepare for future funding reductions.

The force acknowledges that the changes being made in order to deliver savings need to be pulled together into a coherent strategy if they are to be effective. Currently the plans are not joined up and delivery to date has not been part of an overarching change programme.

A major component of the change programme has been a significant reorganisation of how North Yorkshire delivers local policing. The force moved to a single BCU structure in 2011 and made changes to most of the supporting functions, which delivered significant reductions in workforce numbers, however, the new Chief Constable is keen to look again at the operating model and identify further opportunities for improvement.

The force is currently reviewing the neighbourhood policing model and plans to change shift patterns to ensure resources are matched to demand across the force area. This will help the force to continue and build service delivery to its communities.

Following the election of PCCs in November 2012, all staff automatically transferred from the employment of police authorities¹² to PCCs. This was the “Stage 1” transfer and took place on 22 November 2012.

The Police Reform and Social Responsibility Act 2011 created a “Stage 2” transfer which covers the transfer of staff, property, rights and liabilities from the PCC to the Chief Constable. PCCs, in consultation with their Chief Constable, must determine which staff will be transferred to the employment of the CC and which will remain with the PCC. The underlying principle is that operational staff under the direction and control of Chief Constables will transfer to their employment. This brings opportunities for PCCs and chief constables to reconsider how functions can be delivered, resourced and structured, including joint arrangements with others.

The outcome of discussions between the PCC and the Chief Constable on which functions (e.g. human resources, management of the buildings and estate etc) the force will have responsibility for or those which will remain with the PCC is going to be important in terms of how future savings may be managed and delivered.

During inspection the PCC discussed a range of potential models but yet to fully explore these with the Chief Constable. As this is a new area, HMIC will look with interest as to how these plans develop and their impact on the way policing is delivered to the public.

¹¹ Transformation is a process of radical change that orientates an organisation in a new direction and takes it to an entirely different level of effectiveness. It implies a fundamental change of character, with little or no resemblance to the past configuration or structure.

¹² Police officers are not employees of either the PCC or the Chief Constable. They are “office holders” as opposed to employees and are not affected by Stage 1 and 2 transfers.

How is the force engaging police officers, PCSOs and staff in the change programme?

HMIC found a mixed picture in terms of the force's effectiveness in engaging staff in the change process. Staff spoken to as part of the inspection were aware of the financial challenge the force faces and understood the need for change. However, they also thought that all the workforce cuts had already been made, and the confusion surrounding the prospect of further cuts was causing anxiety and having an impact on morale. Overall staff considered that change had not been communicated well and visible leadership was inconsistent.

Staff associations and the police staff union were more positive and told us that there was open dialogue, consultation and engagement with the chief officer group, providing examples where they felt they had added value to the planned changes.

The force needs to improve the way it communicates with staff and ensure that they are more engaged in the change process to avoid further confusion, anxiety and potential performance issues.

How effective has the response been?

North Yorkshire police has successfully delivered savings in the first half of the spending review period. However, to date delivery of change has not been joined up or carried out as a coherent change programme, meaning it may not been as effective as it could be. This may have contributed to various descriptions from senior leaders of the precise scale of the financial challenge the force faces.

Impact of the changes on the public

The challenge for forces is not just to save money and reduce their workforce numbers, but to ensure the choices they make in deciding how to achieve this do not have a negative impact on the service they provide to their communities. HMIC therefore looked for evidence that the force had kept a consideration of the effect on the public at the heart of their choices.

Visibility

The work done by police officers and staff in visible roles (such as officers who respond to 999 calls, deal with serious road traffic collisions or patrol in neighbourhoods) represents only part of the policing picture. Chief constables need to allocate resources to many other functions in order to protect the public, such as counter terrorism, serious and organised crime, and child protection (to name just three).

That being said, research shows that the public value seeing visible police officers on patrol in the streets, and that those who see police in uniform at least once a week are more likely to have confidence in their local force.¹³ HMIC therefore examined how far the changes being implemented by the force had affected the visibility of the police on the streets of North Yorkshire.

In 2013, North Yorkshire Police allocated 63% of its police officers to visible roles. This is eight percentage points lower than it allocated in 2010, but is still higher than the figure for most other forces (which was 54% across England and Wales).

Police visibility is further enhanced by PCSOs who principally support community policing. Looking at the proportion of police officers and PCSOs, the force allocated 67% to visible roles. This again is eight percentage points lower than it allocated in 2010 but still higher than the 59% figure for England and Wales.

HMIC conducted a survey¹⁴ of the public across England and Wales to assess whether the public had noticed any difference in the way their area is being policed. Of those people surveyed in North Yorkshire, 9%¹⁵ said that they have seen a police officer more often than they had 12 months ago. This is broadly in line with the 13% average across all survey respondents in England and Wales.

Of those people surveyed, 79%¹⁶ said they feel as safe or safer in the area where they live compared with two years ago, this compares with the England and Wales figure of 75%.

¹³ See *Demanding Times*, HMIC, London, 2011. Available from www.hmic.gov.uk.

¹⁴ A YouGov survey was carried out during a four-week period during March 2013. Satisfaction and confidence surveys are also carried out at a national level by the Crime Survey of England and Wales. These use larger sample sizes and are carried out quarterly over a rolling-year period. Some forces also carry out their own surveys of the general public. More information can be found at www.crimesurvey.co.uk, www.hmic.gov.uk or from force websites.

¹⁵ $\pm 5\%$.

¹⁶ $\pm 5\%$.

Calls for service

HMIC examined whether North Yorkshire Police was taking longer to respond to calls for help, as a result of its workforce reductions and other changes designed to save money. Forces are not required to set response times or targets and are free to determine their own arrangements for monitoring attendance to calls, so information between forces is not comparable.

In the three years from 2010 North Yorkshire Police had maintained the same target response time of within 15 minutes for calls classed as 'emergency' (also known as grade 1) in an urban setting and within 20 minutes for calls classed as 'emergency' in a rural setting. Over the same period, calls classed as a 'priority' (also known as grade 2) had a target response time of within 60 minutes.

Over that period, the force met its target response time for urban 'emergency' calls 81% of the time in 2010/11, 84% of the time in 2011/12, and 85% of the time in 2012/13. The force also met its target response time for rural 'emergency' calls 77% of the time in 2010/11 and 80% of the time both in 2011/12 and in 2012/13.

In respect of 'priority' calls, on average the force met its target 78% of the time across all three years of 2010/11, 2011/12 and 2012/13.

Crime

In 2010 the Home Secretary, Theresa May, set a clear priority for the police service to reduce crime.

Between 2010/11 and 2012/13 (the first two years of the spending review), the force reduced recorded crime (excluding fraud) by 18% compared to 13% in England and Wales. Compared to other forces, this was among the highest reductions seen over the period. Over this period, victim-based crime (that is, crimes where there is a direct victim – an individual, a group, or an organisation) also reduced by 18% compared with 12% in England and Wales.

By looking at how many crimes occur per head of population, we can see how safe it is for the public in that police area. The table below shows crime and anti-social behaviour rates in North Yorkshire (per head of population) compared with the rest of England and Wales.

12 months to March 2013	Rate per 1,000 population in North Yorkshire	England and Wales rate per 1,000 population
Crimes (excluding fraud)	42.7	61.4
Victim-based crime	38.1	54.5
Burglary	5.5	8.2
Violence against the person	7.5	10.6
Anti-social behaviour incidents	42.0	40.7

It is important that crimes are effectively investigated and the perpetrator identified and brought to justice. When sufficient evidence is available to say who has committed a crime, it can be described as detected.

The force's sanction detection¹⁷ rate (for crimes excluding fraud) for the 12 months to March 2013 is 30.2%. This is above the England and Wales sanction detection rate of 27.0% (excluding fraud).

We have chosen these types of crime to give an indication of offending levels in North Yorkshire. For information on the frequency of other kinds of crimes in your area, go to www.hmic.gov.uk/crimeandpolicingcomparator

Victim satisfaction surveys

An important measure of the impact of changes to service delivery for the public is how satisfied victims are with the overall service they receive when they seek police assistance.

In the 12 months to March 2013, 85.3%¹⁸ of victims were satisfied with the overall service provided by North Yorkshire Police. This is broadly in line with the England and Wales figure of 84.6%.¹⁹

Changes to how the public can access services

Forces are exploring different ways in which the public can access policing services. North Yorkshire Police is planning to open two front counters²⁰ and close two shared access points²¹ between 2010 and 2015.

However, they are making more use of the internet and social media to communicate with the public and developing different mechanisms for the public to contact the police. North Yorkshire Police is:

- scoping additional methods of using social media for the public to access resources and reduce demand.
- considering, with the county council, the development of self service and shared access points.
- exploring what technological devices suit the demands of the force to reduce the need for officers to return to the station to complete administrative work.

17 A sanction detection is a 'solved crime' where a suspect has been identified and notified as being responsible for committing that crime and what the full implications of this are, and has received an official sanction. Official sanctions include charges, cautions, penalty notices, offences taken into consideration (TICs) and cannabis warnings.

18 $\pm 0.9\%$.

19 $\pm 0.2\%$.

20 A police building open to the general public to obtain face-to-face access to police services.

21 A non-police building open to the general public to obtain face-to-face access to police services. For example, shared facilities with council services (e.g. libraries or offices), the fire service or other partners.

Conclusion

North Yorkshire Police has identified the savings it needs to make over the spending review period and is currently delivering them. However, the force still has a funding gap of £4.6m that it has yet to identify savings plans for. This gap includes a prudent assumption relating to the damping mechanism²² and HMIC is reassured that the force is developing plans that would close the gap by 2015.

The force should take opportunities for communicating changes more effectively to the workforce, which expressed some concern during the inspection about their understanding of the changes taking place. This is especially important if the outstanding funding gap means that it may need to make further changes to the workforce

In implementing change the force has been able to limit the impact on police services. It has protected the front line with most workforce reductions focused on business support activities. Recorded crime (excluding fraud) continues to fall in North Yorkshire at a faster rate than the average for England and Wales and victim satisfaction with policing is high.

²² When the funding formula is allocated, each police force is assured a minimum percentage increase in grant each year. This is known as the floor. Those forces that get less than the minimum percentage based purely on the formula are topped up to the minimum percentage. In order to pay for this, any force receiving an increase based purely on the formula that is greater the minimum percentage has its grant scaled back by a standard proportion. This process is commonly referred to as floor damping or damping.

In October 2010, the Government announced that central funding to the Police Service in England and Wales would reduce by 20% in the four years between March 2011 and March 2015.

HMIC's Valuing the Police Programme has tracked how forces are planning to make savings to meet this budget demand each year since summer 2011. This report identifies what we found in this third year.

Our inspection focused on three questions:

1. How is the force responding to the budget reduction?
2. What is the impact for the workforce and the public?
3. How is the force managing current and future risks?

To answer these questions, we collected data and plans from forces, surveyed the public to see if they had noticed any changes in the service they receive from the police as a result of the cuts, and conducted in-force inspections. We also interviewed the Chief Constable, Police and Crime Commissioner and the chief officer leads for finance, change, human resources and performance in each force, and held focus groups with staff and other officers.

National findings and patterns across all 43 forces are given in our thematic report, *Policing in Austerity: Rising to the Challenge*, which is available from www.hmic.gov.uk.

This report provides the findings for North Yorkshire Police.