

# PEEL: Police efficiency 2015

An inspection of Cambridgeshire Constabulary



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# Overview – How efficient is the force at keeping people safe and reducing crime?

## Overall judgment<sup>1</sup>



Good

HMIC found that Cambridgeshire Constabulary is well prepared to face its future financial challenges. The force has achieved greater levels of savings than it needed to since 2010 and has built up financial reserves, which it plans to use to smooth the impact of budget cuts over the next few years until anticipated savings are achieved. The constabulary has plans in place to make all the expected savings needed through to 2019. It has worked hard to minimise the impact of budget cuts on frontline policing through working jointly with other forces to save money, and an ambitious approach to using new technology to improve police efficiency. In last year's value for money inspection, which considered how forces had met the challenge of the first spending review period, Cambridgeshire was judged to be good.

## Summary

HMIC judges Cambridgeshire Constabulary to be good. It has a good track record in reducing its costs while maintaining its police officer numbers. It has plans in place to meet its entire anticipated future savings until 2019/20, with a lower than average reduction in police officer numbers. It has focused on improving efficiency by using technology to make best use of police resources and through collaborating with other police forces. It has also sought to protect frontline services by reducing the numbers in senior ranks where possible.

Cambridgeshire Constabulary has carried out a comprehensive assessment of the principal threats and risks across the county and has improved its understanding of the current demands on its services. The constabulary does not yet have a full understanding of all areas of current demand, particularly demand generated by other public sector organisations. While it has some long-term projections of demand, there is a potential medium-term gap in its assessment, which is likely to impact on its ability to develop the skills and capability of its workforce over the next spending review period.

The collaboration with Bedfordshire Police and Hertfordshire Constabulary is a pivotal element in the future savings beyond 2015/16, and there remains some

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<sup>1</sup> Outstanding, Good, Requires improvement or Inadequate – see Annex A.

uncertainty and risk around the achievement of these savings. However, Cambridgeshire is aware of the risks and has devised contingency plans.

The constabulary is leading the development of innovative approaches to using information technology to improve efficiency on behalf of the tri-force collaboration. It has made impressive progress in enabling police officers to work more efficiently using the latest mobile data technology, making significantly better progress in this area than the majority of police forces in England and Wales.

Cambridgeshire is in a good financial position to face the future, having made prudent savings assumptions, and built reserves over previous years to support the collaboration and change programmes.

<p><b>How well does the force use its resources to meet its demand?</b></p>	<p><b>How sustainable and affordable is the workforce model?</b></p>	<p><b>How sustainable is the force's financial position for the short and long term?</b></p>
 <p><b>Good</b></p>	 <p><b>Good</b></p>	 <p><b>Good</b></p>
<p>Cambridgeshire Constabulary uses its resources well to meet the public demand on its services. It works hard to understand the most pressing threats and risks on its services and prioritises how it uses resources in order to protect people and fight crime.</p> <p>Although the constabulary has improved its understanding of demand, it still needs to do more to make the most efficient use of police time, and more effectively plan for the</p>	<p>The current workforce model is broadly aligned to the demands on its policing services, and matches the financial and organisational requirements. The constabulary is making use of mobile technology to improve the efficiency of frontline officers while maintaining the service it provides to the community.</p> <p>Collaboration with other regional police forces, particularly joint working with Bedfordshire and Hertfordshire, has further enhanced efficient working.</p>	<p>Cambridgeshire Constabulary has a good track record in achieving savings while protecting frontline policing. It achieved its savings requirement and balanced the budget for the spending review period.</p> <p>In addition it has made more savings than needed and has built up substantial financial reserves which it is planning to invest in future change and to support budget cuts in the short term until permanent savings are fully achieved.</p>

<p>future. There is not a full understanding of how demand may be reduced or redirected, or of how demand is changing over time.</p> <p>Performance is well managed and the victim satisfaction rate with police services in Cambridgeshire is above average for England and Wales.</p> <p>It is also working constructively to expand the range of activities that it provides in collaboration with Bedfordshire and Hertfordshire, not only to save money but also to provide greater resilience and improved services. The collaboration programme has enabled new ways of working through information technology, improving efficiency and transforming the way services are provided to the public.</p> <p>Cambridgeshire is the lead force for information technology on behalf of the tri-force collaboration and has made impressive progress in enabling police officers to work more efficiently using the latest mobile data technology.</p>	<p>The constabulary has made efficiencies through a substantial reduction of senior ranks following the introduction of the new police operating model in 2012. This has protected the front line and brought police and local authority partners closer together, further increasing the opportunities for joint working.</p> <p>Cambridgeshire Constabulary is planning for smaller than average cuts in police officer numbers over the next four years and anticipates that the current operating model will continue to be sustainable because of the added efficiencies from both extending collaboration and using technology to make best use of police resources.</p> <p>The constabulary could do more to fully understand how demands for its services are likely to change over the next five years and how it may need to adapt the mix of skills in the workforce to respond.</p>	<p>The force has set a balanced budget for 2015/16, which includes the use of £0.39m of reserves. The force has reduced spending by £19.8m since the start of the spending review with below average cuts in police officer numbers. It has actively explored ways to improve efficiency in order to limit the impact of budget cuts on services.</p> <p>The force works closely with the police and crime commissioner and resources are directed to priorities in the police and crime plan.</p> <p>Plans for future savings are mostly well developed and the force is able to use its reserves to cover any funding gaps in the short term.</p> <p>The collaboration with Bedfordshire and Hertfordshire is a pivotal element in the future savings beyond 2015/16, and there remains some uncertainty and risk around the delivery of these savings. However, Cambridgeshire Constabulary is aware of the risks and has developed contingency plans.</p>
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## Force in numbers



### Financial position

Forecasted change in expenditure 2015/16 to 2018/19



It is important to note that some forces only provided figures for savings they had formally signed off at that point, while others provided estimates for the whole period. As a result, the savings figure above might not reflect the full saving which the force might have to make. 2014/15 GRE has been used here as a baseline.



### Providing policing

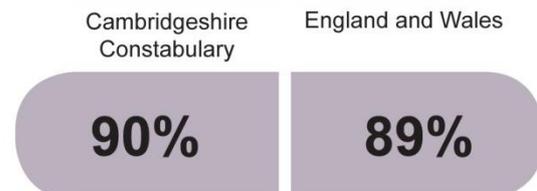
Planned change in police officer numbers 31 March 2015 - 31 March 2018



Planned change in total workforce numbers 31 March 2015 - 31 March 2018



Proportion of police officers on the operational frontline 31 March 2010



Proportion of police officers on the operational frontline 31 March 2015



Planned proportion of police officers on the operational frontline 31 March 2018





## Organisation

Police officer cost per head of population compared to England & Wales (2014/15)

Cambridgeshire Constabulary

England and Wales

**£70**

**£115**

Cambridgeshire Constabulary

England and Wales

**£107**

**£165**

Workforce cost per head of population compared to England & Wales (2014/15)



## Key statistics

Changes in recorded crime (excluding fraud) 12 months to 31 March 2014 to 12 months to 31 March 2015

Cambridgeshire Constabulary

England and Wales

**+5%**

**+2%**

Changes in recorded crime (excluding fraud) 12 months to 31 March 2010 to 12 months to 31 March 2015

Cambridgeshire Constabulary

England and Wales

**-21%**

**-16%**

Victim satisfaction 12 months to 31 March 2015

Cambridgeshire Constabulary

England and Wales

**86.5%**

**83.8%**

Changes in victim satisfaction 12 months to 31 March 2011 to 12 months to 31 March 2015

Cambridgeshire Constabulary

England and Wales

**Increased**

**No change**

**Victim satisfaction:** Cambridgeshire, confidence interval +/- 1.4 percent. England and Wales, confidence interval +/- 0.2 percent.

For full details on the data used in this graphic see annex A in the efficiency national report.

## Introduction

In October 2010, the Government announced that central funding to the police service in England and Wales would reduce by 20 percent in the four years between March 2011 and March 2015. Now, in a period of sustained budget reductions, forces need to continue to make efficiencies while focusing on reducing crime and keeping communities safe.

As part of its annual inspections into police effectiveness, efficiency and legitimacy (PEEL), HMIC's Efficiency programme assessed how a force maximises the outcomes from its available resources. We reviewed both the financial and workforce planning of police forces whilst examining wider questions of cost, capability and productivity. Our inspection focused on the overall question, 'How efficient is the force at keeping people safe and reducing crime?'

To answer this question we looked at three areas:

- How well does the force use its resources to meet demand?
- How sustainable and affordable is the workforce model?
- How sustainable is the force's financial position for the short and long term?

During our inspection we collected data and plans from forces, surveyed the public to see if they had noticed any changes in the service they received and conducted in-force inspections. We interviewed chief constables and the chief officers responsible for finance, organisational change, human resources and performance in each force and held focus groups of officers and staff at different grades and ranks, and made unannounced visits to police stations.

This report sets out the findings from this wide-ranging inspection of Cambridgeshire Constabulary.

## How well does the force use its resources to meet its demand?

HMIC examined how the force understands the demand for its service, and how it allocates its staff and financial resources to meet that demand. We then assessed whether these decisions are leading to good results for the public – that the police are visible and that they attend promptly when called, that they are fighting crime and keeping communities safe, and that victims are satisfied with the service they receive.

### How well does the force understand its demand?

Cambridgeshire Constabulary has a good understanding of the principal threats and risks facing police services in the county. It has made progress in understanding the changing demand for its services and is using this knowledge in developing future plans for both the constabulary and for joint working with Hertfordshire Constabulary and Bedfordshire Police, known as the tri-force collaboration.

Cambridgeshire regularly updates its assessment of the greatest threats and risks facing the public. It uses this assessment to predict any operational and organisational changes that may be needed. This allows the constabulary to target its resources in order to respond as effectively as possible.

Cambridgeshire, Bedfordshire and Hertfordshire police forces already work extensively together to provide a range of police services. They have been working to extend the collaboration to include dealing with calls from the public and crime recording. A detailed analysis of seven days of data from all telephone calls (999, 101, and direct calls) into the three forces' control rooms was conducted in June 2014, and repeated four months later. Part of the planned extension of collaborative working will be the formation of joint control rooms for all three forces, operating out of two locations. The analysis of telephone calls provided a comprehensive understanding of demand for police services coming into the control rooms across all three forces and has informed the planning of the new joint contact centres.

The three forces agreed on outline plans in January 2014. The ambition is to “meet customer expectations and to ensure the new model delivers a compelling customer experience”. To achieve this, a wider range of ways for the public to contact forces is being developed. This includes an on-line self-service portal, on-line directory, on-line incident and crime reporting, crime tracking, web chat and telephone updates. The force expects that making better use of the latest technology will provide opportunities to reduce police time and staffing costs and achieve cost savings of 30 percent.

However, the constabulary does not yet have a comprehensive understanding of the totality of the demand for its services from all sources. It has not yet engaged with partners to fully evaluate current and future demand, in order to identify areas where time is being spent dealing with issues which should more properly be dealt with by other services, such as local authorities and health services. The constabulary has been somewhat slow to consider opportunities to work more efficiently with other organisations in responding to incidents involving individuals with mental health concerns, though progress is now being made. It has now introduced a local pilot scheme in one of the six policing districts, where a mental health nurse assists local officers to assess vulnerable people who come into contact with the police.

Cambridgeshire Constabulary recognises that the nature of demand for policing services is changing while police resources are set to continue reducing. It has set up a futures programme which is designed to analyse and understand the changing nature of demand and to assess the impact of this on the current operating model. This should also identify the workforce skills likely to be required. For example, the increase in volume and complexity of on-line and hi-tech crime requires a very different approach than traditional detective work. The scope of the futures programme is ambitious and wide-ranging and is focusing on longer term issues for Cambridgeshire, beyond 2020. HMIC is concerned that there may be a lack of understanding of what is required in the short and medium term. The constabulary does not yet have a full understanding of the totality of its demand, including any likely changes in demand over the next five years.

## **How well does the force match resources to demand?**

The recent review of the annual assessment of the principal threats and risks has analysed the likely impact of changes in crime and in demand for services over the coming year. It has also assessed the constabulary's capacity to respond. It has provided a strong foundation to develop the annual constabulary work plan, known as the force control strategy. The control strategy provides clear direction for making best use of resources to address threat, risk and harm. There are a number of examples where extra resources have been targeted at priority areas where risk is greatest and where demand is increasing such as child sexual exploitation and cyber-crime.

The constabulary has now recognised that as resources are continuing to reduce, it needs to develop a more sophisticated approach to matching resources to demand in order to ensure that it can continue to meet the needs of the public, particularly the most vulnerable. This is a fundamental change that recognises that some victims of crime need more support from police services, regardless of the type of crime, and other incidents can be satisfactorily resolved without police attendance or with less resource.

The constabulary has made impressive progress in its ambitious plans to use new mobile technology to make policing more efficient. Good use has been made of the Police Innovation Fund to invest in the technology which has enabled mobile data to be available to all frontline staff. Cambridgeshire leads the tri-force collaboration work to develop Programme Metis<sup>2</sup>, the development of the software required for remote working and this places the force significantly ahead of many other forces. There are some excellent early results and great potential to continue to improve efficiency. The investment in Athena<sup>3</sup> systems across the tri-force collaboration will also offer a significant step forward and real opportunities to not only improve the force's processes but also to link up much more effectively by using the same IT systems across the three forces.

Cambridgeshire Constabulary has recognised for some time that its estates are not being used efficiently and significant cost savings could be made. Progress in making these changes has been slow and while some savings are planned, they are modest. It is vital that all forces work hard to drive down non-pay costs wherever possible in order to protect frontline services.

## **How well are the force's services meeting the demand from the public?**

To assess the constabulary's response to public demand, HMIC considered crime figures and rates in Cambridgeshire; victim satisfaction levels; and whether the force is using different ways to communicate with and engage the public.

Although police recorded crime is by no means a complete measure of the totality of demand a force faces, it does provide a comparable performance indicator across all forces. Crime rates are reported as the number of crimes per 1,000 population in each force area to enable comparison between areas. Total police recorded crime is made up of victim-based crime (e.g. theft) and non victim-based crime (e.g. drug offences). Two thirds of forces showed an annual increase in total police recorded crime in the year ending 31 March 2015. This increase in police recorded crime may have been affected by the renewed focus on the quality and compliance of crime recording since HMIC carried out a national inspection of crime data integrity in 2014.

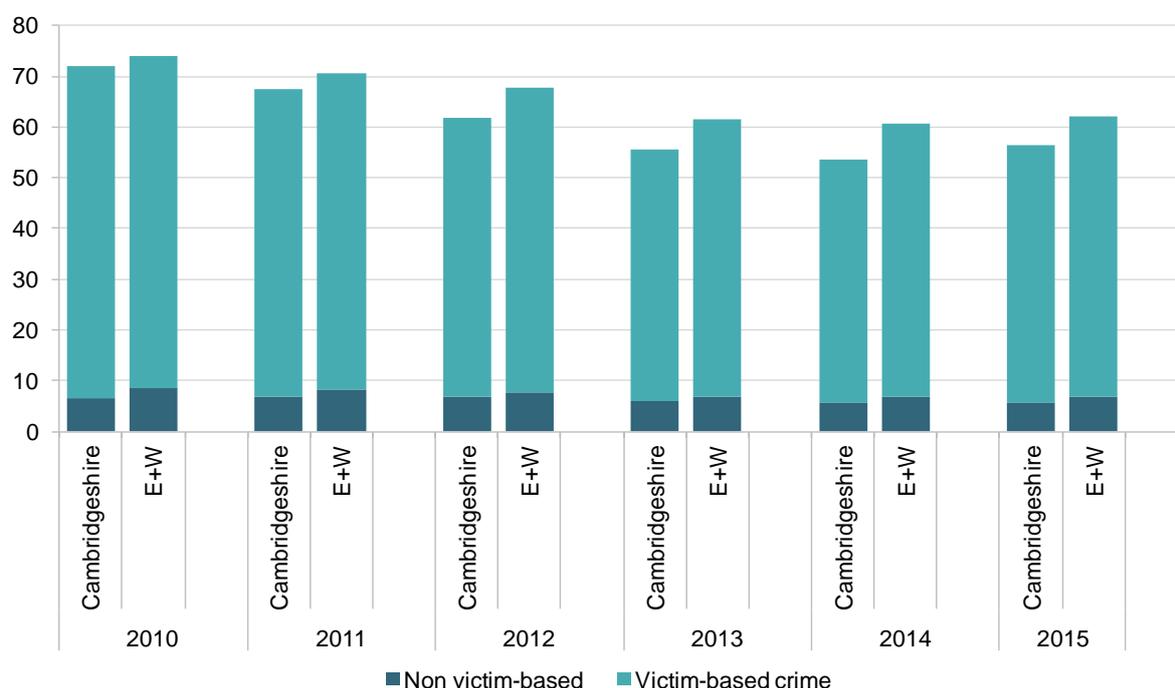
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<sup>2</sup> Programme Metis is being led by Cambridgeshire on behalf of Hertfordshire and Bedfordshire. The programme is designed to deliver transformational change through the streamlining of processes and development of enabling technology across all areas of business to enable the constabulary to protect frontline operational policing, continually improve the quality of service provided to the public, and to optimise all available resources in order to work within a balanced budget.

<sup>3</sup> Project Athena is intended to be a single IT system managing police investigations, intelligence and defendants (both custody and case preparation) across all member forces.

In the 12 months to 31 March 2015 Cambridgeshire had a victim-based crime rate of 50.6 and a non victim-based crime rate of 5.8 per 1,000 population. This represents a decrease (23 percent) in the victim-based crime rate and a decrease (10 percent) in the non victim-based crime rate since the start of the spending review in 2010. During the same time period England and Wales had a victim-based and non victim-based crime rate of 55.2 and 6.9 per 1,000 population respectively. This represents a decrease in both crime rates by 15 percent and 19 percent respectively since the start of the spending review. The scale of the change in crime rate can be seen in Figure 1.

**Figure 1: Police recorded crimes per 1,000 population from Cambridgeshire in the 12 months to 31 March 2010 to the 12 months to 31 March 2015, compared to England and Wales**



**Source: Home Office crime statistics and ONS mid-2013 population estimates (2013 population data are used across multiple years to reveal actual change in recorded crimes, rather than changes due to population change)**

Of those who have been the victim of a crime in Cambridgeshire, 86.5 percent were satisfied with their whole experience with the police in the 12 months to 31 March 2015.<sup>4</sup> This is higher than the national victim satisfaction rate of 83.8 percent over the same time period.<sup>5</sup> There has been a significant increase in victim satisfaction between the 12 months to 31 March 2011 and the 12 months to 31 March 2015 in Cambridgeshire.

<sup>4</sup> Cambridgeshire, confidence interval +/- 1.4 percent.

<sup>5</sup> England and Wales, confidence interval +/- 0.2 percent.

HMIC monitored how a force engages with the public as part of the inspection. Figure 2 below shows Cambridgeshire Constabulary uses a range of methods (including Facebook, Twitter, and email) to engage with the public.

**Figure 2: Methods of public engagement used by Cambridgeshire Constabulary in the 12 months to 31 December 2014**

<b>Are the following communication channels being used by the Force?</b>	
Facebook	Yes
Twitter	Yes
Email	Yes
Text message	No
Web forum	Yes
Instagram	Yes
Local phone (not 999 or 101)	Yes

**Source: HMIC Efficiency data collection**

The constabulary has seen an increase in 101 telephone calls from the public and in order to ensure that the non-emergency calls are managed efficiently, the force has allocated ten additional staff to the force control room. Consideration has been given to the plans for the joint control rooms to ensure that the increase in staffing reflects the future tri-force requirements.

## **How well is the force managing demand?**

Although the constabulary lacks a complete understanding of all sources of demand for its services, it has improved its understanding through the work carried out in the course of the collaboration programme for the joint control room plans. The constabulary is currently assessing long-term demand through the futures programme to help plan the future operating model and the way local policing may need to change beyond 2020, though as previously mentioned this leaves a potential short to medium-term gap in planning.

The current police operating model, introduced in April 2012, provides 'borderless response', where the nearest and most appropriate police resource is sent to attend an incident. This should enable the movement of staff across the force area to respond to any risk and peaks in demand as quickly as possible. The model is supported by a strategic assessment providing a good understanding of threat, harm and risk at a high level.

The constabulary has allocated additional resources to support high-priority areas of increasing demand, such as tackling child sexual exploitation and cyber-crime.

The constabulary has recently introduced the THRIVE risk assessment and decision-making framework to enable call-handlers to ensure that the police respond in the most appropriate way to incidents on the basis of threat, risk and harm. Together with a new focus on identifying calls that may not need a police attendance, this should improve the efficiency of the force in responding to calls for service, though at the time of inspection it was too early to assess the impact of these changes.

## **How well does the force monitor and understand outputs, outcomes and costs?**

There has been limited work undertaken by the constabulary to analyse and understand the relationship between costs and outcomes. The constabulary has looked at the time spent on particular police activities and measured that against the results achieved. For example, it has carried out analysis in conjunction with the Institute of Criminology at the University of Cambridge to identify the impact of providing a regular police community support officer (PCSO) patrol in known crime hotspots. This project demonstrated clearly that a visible police presence resulted in significant reductions in crime and anti-social behaviour incidents. However there has been little work done to understand systematically the relationship between costs and results of routine police activities, which means it is difficult for the constabulary to be certain that its services are providing value for money.

The three forces recognised last year that, although the governance arrangements for the tri-force collaboration had been improved, there remained a risk that they were not identifying effectively the benefits that were expected from collaboration, so that it would be clear if the arrangement was a success. This meant that they were unable to measure adequately the impact of working in collaboration. A Benefits Realisation Officer was appointed by the collaboration change team to lead a programme to ensure that all new collaboration projects identify clearly the measurable benefits that the collaboration has the potential to achieve and a mechanism to monitor that they are being realised.

## **How well is the force using new working methods to improve services?**

The constabulary has demonstrated a keen commitment to working collaboratively with other police forces wherever possible, both regionally and within the tri-force collaboration, to secure efficiencies and service improvements. There is impressive and purposeful joint operational working with Bedfordshire and Hertfordshire and also with the other forces across the Eastern region with the eastern region specialist operations unit (ERSOU). The constabulary is working actively towards the further expansion of this collaboration with the ERSOU+ arrangements.

The latest planned expansion to the collaboration with Bedfordshire and Hertfordshire is in back office functions providing organisational support. A significant step forward in providing efficient joint support services will be the planned procurement of a new IT support system, known as an enterprise resource planning system (ERP). The ERP system will link the HR and finance systems for all three forces allowing improved data quality, and greater control and understanding of costs and staffing. The ERP system is also expected to enable more efficient working, as it will reduce the numbers of support staff required to carry out administrative functions. Managers and their staff will be expected to carry out more support functions themselves, using the system in a 'self-service' approach. It is estimated that the roll-out across the three forces will begin in 2016/17.

The constabulary has made good progress to develop its agile working plans and through Programme Metis has invested in the technology which will allow mobile data to be available to all frontline staff across the three forces so that they can undertake a range of activities on-line without the need to return to a station. In conjunction with a specialist IT company, the constabulary has developed a software application known as tuServe for police use on mobile devices. Officers can now attend a burglary and complete all the relevant paperwork without needing to return to the station. They can immediately start to build the evidence file from the scene with photographs and witness statements which can be uploaded on to the police system and can be viewed by a supervisor straightaway. When an investigator needs to review a number of officers' notebooks for an investigation the software allows them to review attending officers' notes and any relevant material without having to contact them.

This system will allow a public protection officer at a partnership meeting to access police systems for the latest information. They can also request actions and assign resources instantly using the system. The impact of these technological solutions is expected to improve the service to the public in many ways including increased visibility of officers; increased police officer and staff productivity, improved officer and staff access to supervisor and specialist advice and guidance; reduction in officer and police staff travel time and costs; or the removal of a journey altogether.

The investment in Athena systems across the tri-force collaboration is also expected to offer a significant step forward and it is an opportunity to not only improve the constabulary's processes but also to link up and share information much more effectively across the three forces.

There is also a joint medium-term financial strategy for the tri-force collaboration. Projected shortfalls in future funding across each of the three forces are understood and each force has identified what collaborative working will achieve, where collaboration will lead to local savings and where each force plans to make use of money held in reserves. This demonstrates a high level of maturity across the collaboration through an understanding of both the individual force and joint financial challenges.

There is a clear structure for the complex collaboration change programme involving three organisations and multiple stakeholders. There is clear governance in place with regular meetings between the main individuals. All three police and crime commissioners and chief constables meet monthly to scrutinise plans and review progress.

## Summary of findings



**Good**

Cambridgeshire Constabulary uses its resources well to meet the public demand on its services. It works hard to understand the most pressing threats and risks on its services and prioritises how it uses resources in order to protect people and fight crime.

Although the constabulary has improved its understanding of demand, it still needs to do more to make the most efficient use of police time, and more effectively plan for the future. There is not a full understanding of how demand may be reduced or redirected, or of how demand is changing over time.

Performance is well managed and the victim satisfaction rate with police services in Cambridgeshire is above average for England and Wales.

It is also working constructively to expand the range of activities that it provides in collaboration with Bedfordshire and Hertfordshire, not only to save money but also to provide greater resilience and improved services. The collaboration programme has enabled new ways of working through information technology, improving efficiency and transforming the way services are provided to the public.

Cambridgeshire is the lead force for information technology on behalf of the tri-force collaboration and has made impressive progress in enabling police officers to work more efficiently using the latest mobile data technology.

## How sustainable and affordable is the workforce model?

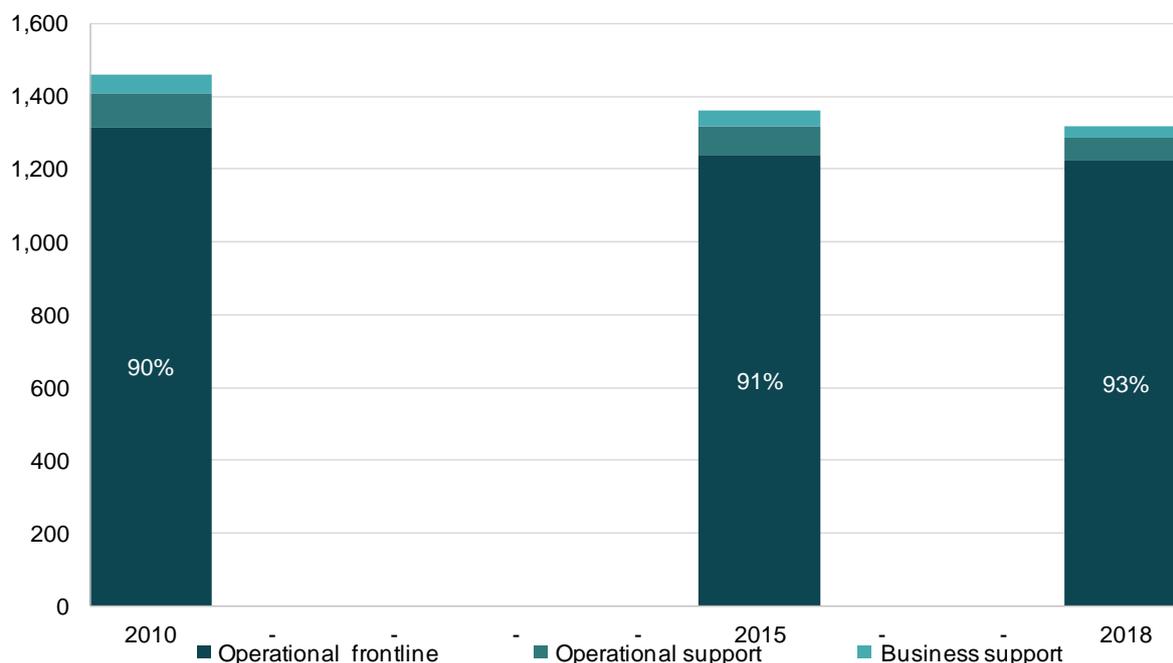
HMIC examined how Cambridgeshire Constabulary has structured its workforce (i.e. its mix of police officers, staff and PCSOs, and the proportion of all these groups working in frontline positions), and assessed whether this was affordable and sustainable as the constabulary responds to its financial challenge. We also considered what the constabulary is doing to ensure the workforce has the right skills and capacity to fight crime and keep communities safe now and in the future.

### **How well does the force's current workforce model match demand, organisational and financial requirements?**

Cambridgeshire Constabulary forecasted a total savings requirement over the first four years of the spending review as part of the Valuing the Police programme (2011/12 to 2014/15) of £19.78m, the equivalent of 14 percent of the 2010/11 gross revenue expenditure for the force. Savings were made in both the pay and non-pay budgets. Since 2010, Cambridgeshire has seen a reduction of 109 police officers, 298 staff and 60 PCSOs full time equivalents (FTE).

In Cambridgeshire, there have been falls in the total number of police officer FTE over the period 2010 to 2015, as shown in figure 3. During this time period the proportion in frontline roles has increased from 90 per cent in 2010 to 91 percent in 2015. The force expects to increase this proportion looking forward to 2018.

**Figure 3: Actual and planned changes to police officer full time equivalents (FTE) in operational frontline, operational support and business support roles in Cambridgeshire Constabulary, from 31 March 2010 to 31 March 2018**



**Source: Home Office annual data return and HMIC efficiency data collection**

**For further information about the data for figure 3 please see Annex B**

The current workforce model is broadly aligned to demand, although more work is needed by the constabulary in conjunction with its partners to better understand and manage demand. The recent innovative developments in using new technology to improve the efficiency of frontline officers (through the use of mobile devices) has supported the delivery of policing and enabled the constabulary to make good use of police resources.

The constabulary reorganised the way it delivered policing in 2012 so that it could continue to deliver effective policing with fewer staff, as a result of the reductions in its budget. It created six policing districts which matched local authority boundaries to support joint work with them. It merged neighbourhood police teams with response teams to create safer neighbourhood teams. Each policing district has been given relative autonomy to build district structures and allocate resources based on local demand and community need and expectations.

The new structure also allowed the constabulary to reduce the numbers of police officers in senior ranks. The constabulary has moved from a model requiring 17 superintendents to one which only has five. There are now two chief superintendents instead of five. This has enabled it to mitigate the impact of cuts to frontline policing.

Over this period there have been some changes to the operating model, with resources being moved around to target priority areas and areas of increased demand. For example, a new victim hub has been established to provide a strong focus on protecting the most vulnerable from harm. Additional resources have been given to the public protection team to respond to domestic abuse and child safeguarding issues and a new cyber-crime team has been established in response to the growing threat from on-line crime.

## How well does the force's projected workforce model match demand, organisational and financial requirements?

Figure 4: Actual and planned changes in workforce FTE from 31 March 2010 to 31 March 2018 for Cambridgeshire Constabulary compared to England and Wales

	March 2010	Difference between 2010 and 2015		March 2015	Difference between 2015 and 2018		March 2018
		Force	England and Wales		Force	England and Wales	
Police Officers	1,471	-7%	-12%	1,362	-3%	-6%	1,316
Police Staff	1,072	-27%	-19%	783	-20%	-6%	628
PCSOs	209	-29%	-27%	148	-6%	-11%	139
<b>Workforce total</b>	<b>2,752</b>	<b>-17%</b>	<b>-15%</b>	<b>2,294</b>	<b>-9%</b>	<b>-6%</b>	<b>2,083</b>

Source: HMIC Efficiency inspection data collection and Home Office workforce statistics

For further information about the data for figure 4 please see Annex B

The constabulary recognises that continuing austerity will lead to further reductions in the size of the workforce. It is planning to increase the range of police functions and support services that are delivered in collaboration with other police forces in order to both save money and increase resilience. However, at this stage the constabulary has no plans to change the way it delivers local policing. There are plans to reduce the number of police officers and PCSOs, in line with anticipated budget cuts. The planned reductions by March 2018 are comparatively small, with only a three percent reduction in police officers and a six percent reduction in PCSOs from 2015, which equates to 46 police officers and 9 PCSOs across Cambridgeshire.

## Summary of findings



**Good**

The current workforce model is broadly aligned to the demands on its policing services, and matches the financial and organisational requirements. The constabulary is making use of mobile technology to improve the efficiency of frontline officers while maintaining the service it provides to the community.

Collaboration with other regional police forces, particularly joint working with Bedfordshire and Hertfordshire, has further enhanced efficient working.

The constabulary has made efficiencies through a substantial reduction of senior ranks following the introduction of the new police operating model in 2012. This has protected the front line and brought police and local authority partners closer together, further increasing the opportunities for joint working.

Cambridgeshire Constabulary is planning for smaller than average cuts in police officer numbers over the next four years and anticipates that the current operating model will continue to be sustainable because of the added efficiencies from both extending collaboration and using technology to make best use of police resources.

The constabulary could do more to fully understand how demands for its services are likely to change over the next five years and how it may need to adapt the mix of skills in the workforce to respond.

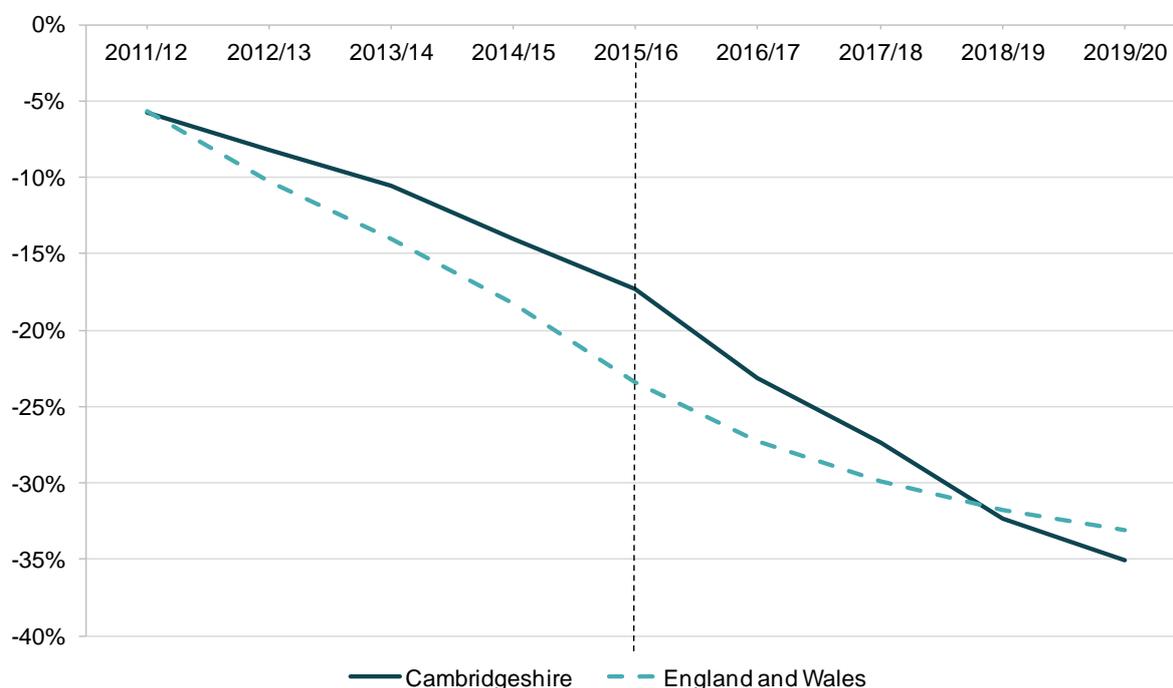
## **How sustainable is the force's financial position for the short and long term?**

HMIC examined how forces have achieved savings over the spending review period, the saving plans that forces have developed for the future, and the assumptions forces have made in the understanding of the financial challenges ahead. We also assessed whether forces have good financial controls and governance, and if spending reflects the priorities outlined in the police and crime plan.

### **Has the force achieved its saving requirements and balanced the budget for the spending review period and 2014/15?**

Cambridgeshire Constabulary forecasted savings of £19.78m over the first four years of the spending review (2011/12 to 2014/15), the equivalent of 14 percent of the 2010/11 gross revenue expenditure for the force. Over the period savings were made in both the pay and non-pay budgets, so as to balance budgets by 2014/15. Over the same period all forces across England and Wales forecasted a total savings requirement of £2.53bn, the equivalent of 18.2 percent of the 2010/11 gross revenue expenditure for England and Wales.

**Figure 5: Estimated change in expenditure from 2011/12 to 2014/15, and forecasted planned savings for 2015/16 to 2019/20, against the 2010 gross revenue expenditure baseline for Cambridgeshire Constabulary and England and Wales**



**Source: HMIC policing in austerity data, HMIC efficiency data collection and The Chartered Institute of Public Finance & Accountancy (CIPFA) Police Objective Analysis data**

**For further information about the data for figure 5 please see Annex B**

The constabulary has achieved its total savings requirement over the last spending review period. Although this is lower than the 18 percent reduction in spending for England and Wales, Cambridgeshire was already a low-spending force with a smaller workforce per head of population than the average.

The constabulary has achieved more savings than it needed over this period and has consistently underspent against its budget each year. This has allowed it to build up a high level of reserves, not only to invest in the change programme but also to earmark a fund to support the budget, allowing time for the savings from collaboration and change to be achieved. In the current financial year the constabulary has added almost £4m extra to this budget assistance reserve, which now stands at £6.57m, and will be used to cover short-term savings requirements until permanent reductions in spending can be achieved from extending the collaboration with Bedfordshire and Hertfordshire. The police and crime commissioner’s strategy for using reserves over the next four years will see the total reserves fall from £27.1m to £16.4m. Within this total, the general reserve fund is set to remain constant at £9.2m over the period. The constabulary is confident that this provides reassurance that they will be financially secure in the medium term.

## **Has the force achieved a balanced budget for 2015/16?**

Cambridgeshire Constabulary has planned a balanced budget of £128.2m for 2015/16, which includes a cut in spending of £4.7m. It forecasts that the reduction will be split between £0.7m from the pay budget (15 percent) and £3.6m (77 percent) from the non-pay budget in this year's savings. The remainder of the spending reductions are being met by a use of reserves. Collectively the forecast reductions since the 2010 baseline year, at the start of the spending review, to 2015/16 represent savings of 17 percent.

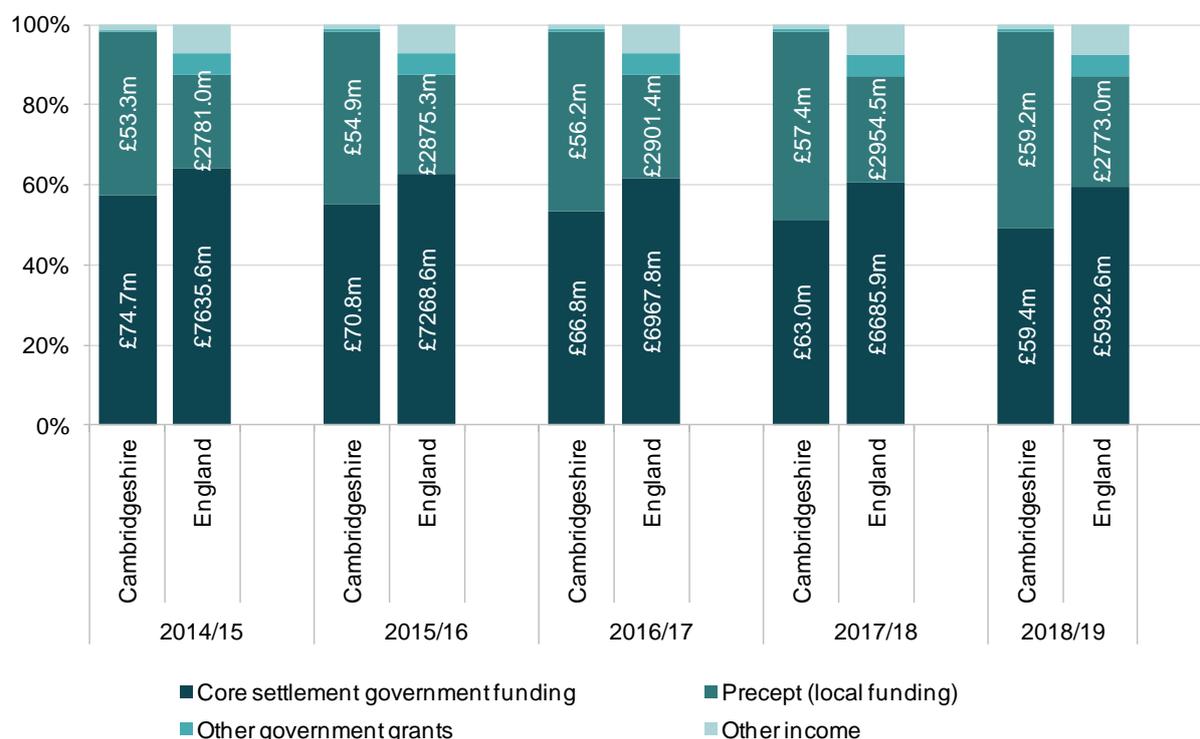
The savings for 2015/16 are planned to be delivered from a combination of internal budget reductions, additional savings from both regional collaboration and extending the tri-force collaboration. The constabulary has been prudent in its estimates of additional income from collaboration during this year and is only including those savings which have already been fully achieved.

The planned savings do not fully match the reduction in budget for this year and so the force is planning to use £0.39m of its budget assistance reserve to balance the budget. The additional savings through extending collaboration are expected to enable spending to be permanently reduced over the next four years. This year, the PCC chose to freeze the police element of the council tax (the precept), leaving the amount paid to the police the same as in 2014/15. The government allows PCCs who do this to claim a non-repayable grant; this amounted to around an additional £1m for Cambridgeshire. Unlike an increase in the precept, which becomes an continuing increased income, this council tax freeze grant is only payable for one year.

## **How well has the force maximised other funding opportunities?**

Figure 6 demonstrates the amount of funding that the force received from a central government grant, as precept from local councils through council tax, and from other sources, such as Home Office special grants. Cambridgeshire Constabulary is expecting the proportion of its funding that comes from core settlement government funding to decline over the coming years, while anticipating the proportion of its funding that comes from precept (council tax funding) to increase over the same time period. It should be noted that the core settlement government funding, both monetary values and proportions of total funding, detailed in figure 6, are from force estimates collected as part of HMIC's efficiency inspection data collection. This data should not be considered as an official projection. The Home Office is currently consulting on changes to the forces' funding formula and therefore any current projections may change over the time period highlighted.

**Figure 6: Forecast mix of funding for Cambridgeshire Constabulary in the 12 months to 31 March 2015 to the 12 months to 31 March 2019, compared to English forces**



**Source: HMIC efficiency data collection**

HMIC is impressed by the ambition of Cambridgeshire Constabulary to secure efficiencies from collaboration with other forces. We found good examples of positive and constructive collaboration with other forces in the Eastern region through ERSOU, and with Bedfordshire and Hertfordshire in the tri-force collaboration; where financial savings and increased resilience are already being realised with further improved joint work planned.

There has also been some constructive work with other local partners, particularly the local authorities across the force area, and good progress has been made in improving the service to vulnerable people through the multi-agency safeguarding hub<sup>6</sup> (MASH).

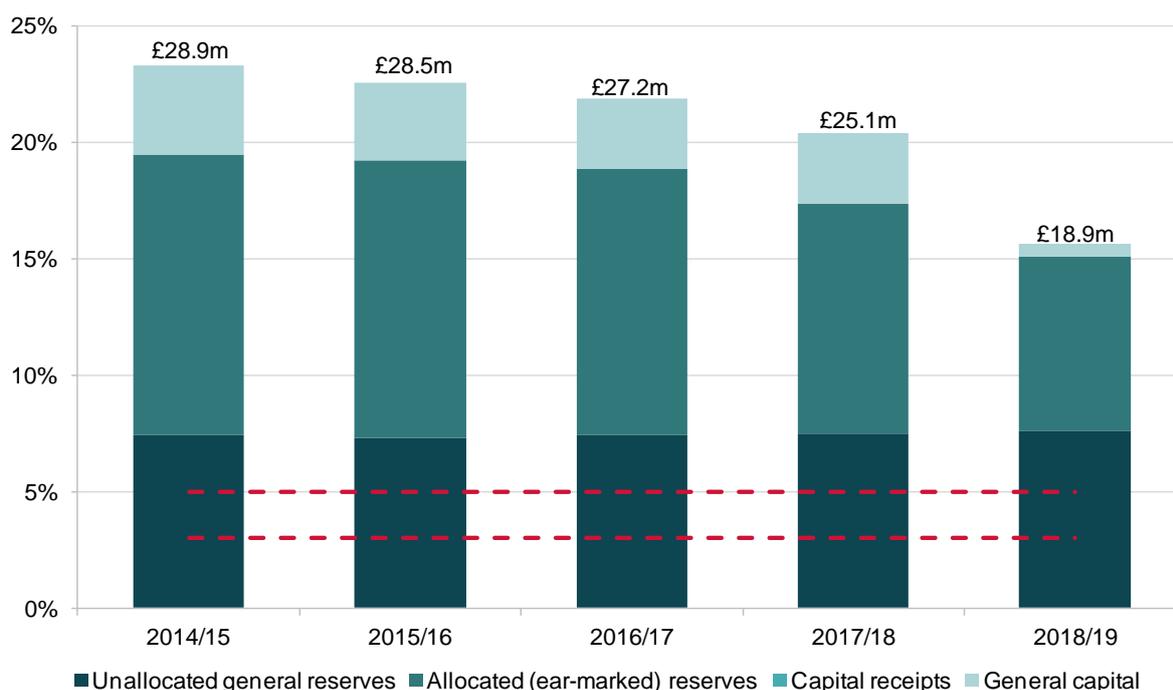
<sup>6</sup> A multi-agency safeguarding hub (MASH) brings together staff from police and partner agencies who work from the same location, sharing information and ensuring a timely and joined-up response to protect children and vulnerable adults.

## How well does the force control expenditure?

The constabulary's level of reserves and how these are forecast to change over time, is shown in figure 7. Cambridgeshire Constabulary reported that its total reserves were £28.9m in 2014/15. These are broken down into several categories:

- unallocated general reserves – a sum to cushion the impact of unexpected events or smooth uneven cash flows;
- allocated (ear-marked) reserves – these are reserves set aside for specific capital purposes;
- capital receipts reserves – these are proceeds from the sale of assets which can only be used for specific capital purposes; and
- general capital to support future planned capital expenditure.

**Figure 7: Breakdown of reserves remaining as a proportion of in-year net revenue expenditure, and total reserves remaining (£), for 2014/15 to 2018/19**



**Source: HMIC efficiency data collection**

**For further information about the data for figure 7 please see Annex B**

The constabulary has a good track record of achieving savings. It has managed to deliver budget cuts over the last spending review period with below average cuts in police officer numbers. There is close and constructive joint working between the finance and HR directors, and workforce numbers, staff recruitment and vacancies are closely managed.

Cambridgeshire Constabulary has a robust approach to controlling expenditure and the chief finance officer ensures that there is strong financial management across the constabulary and works closely with the office of the police and crime commissioner (OPCC) and the tri-force collaboration finance officer. There is effective governance in place for Cambridgeshire and for the collaboration programme. All constabulary and collaboration programme plans have comprehensive, detailed financial plans. This is evident in the tri-force four year financial plan which highlights a combined savings requirement of £83m between April 2016 and March 2020.

The tri-force collaboration hopes to achieve even greater control through integration of the HR and financial planning functions when the new enterprise resource planning (ERP) system is developed and implemented in all three forces in 2016/17. This integrated working is expected to support the extended collaboration and provide greater resilience for all three forces in these business areas.

### **How well do the force's financial plans reflect the objectives set out in the PCC's police and crime plan?**

The financial plans directly reflect the PCC's objectives. They are developed in conjunction with the OPCC and are designed to reflect the priorities in the police and crime plan. The key objectives of the PCC link closely with the constabulary's annual strategic assessment and control strategy. The constabulary has targeted additional resources towards those areas which are priorities for the PCC.

### **How well does the force provide timely and relevant financial information to the office of police and crime commissioner (OPCC), and are shared assumptions used to develop current and future plans?**

The force's director of finance works closely and constructively with the PCC's chief finance officer and the two organisations work jointly on financial planning, using the same assumptions for current and future plans. There is regular monitoring, with monthly reports to both the constabulary executive and to the PCC.

The PCC or a senior member of his team regularly attends constabulary board meetings to provide oversight where appropriate. This ensures that all financial updates to the OPCC are relevant and the operational context is fully understood.

## How well developed are the force's plans for possible further savings?

The constabulary is predicting that it will need to save a further £25m from 2016/17 to 2019/20. It has plans to save £19m over this period, with the remaining £6m being found from reserves in the short term. Cambridgeshire anticipates £9.2m from savings within the constabulary and £9.8m from further savings through collaboration with Bedfordshire and Hertfordshire. Both the local and collaboration savings planned cover a wide spectrum of areas and are at varying stages of development, with some being fully developed with secure savings, whilst others are less certain and reliant (in the case of collaboration savings) on the cooperation of the other two forces.

### Summary of findings



**Good**

Cambridgeshire Constabulary has a good track record in achieving savings while protecting frontline policing. It achieved its savings requirement and balanced the budget for the spending review period.

In addition it has made more savings than needed and has built up substantial financial reserves which it is planning to invest in future change and to support budget cuts in the short term until permanent savings are fully achieved.

The force has set a balanced budget for 2015/16, which includes the use of £0.39m of reserves. The force has reduced spending by £19.8m since the start of the spending review with below average cuts in police officer numbers. It has actively explored ways to improve efficiency in order to limit the impact of budget cuts on services.

The force works closely with the police and crime commissioner and resources are directed to priorities in the police and crime plan.

Plans for future savings are mostly well developed and the force is able to use its reserves to cover any funding gaps in the short term.

The collaboration with Bedfordshire and Hertfordshire is a pivotal element in the future savings beyond 2015/16, and there remains some uncertainty and risk around the delivery of these savings. However, Cambridgeshire Constabulary is aware of the risks and has developed contingency plans.

## Annex A – HMIC judgments

The categories are:

- outstanding;
- good;
- requires improvement; and
- inadequate.

Judgment is made against how efficient the force is at keeping people safe and reducing crime. In applying the categories HMIC considers whether:

- the efficiency of the force is good, or exceeds this standard sufficiently to be judged as outstanding;
- the efficiency of the force requires improvement because it is not yet performing at a good level, and/or there are some weaknesses in the organisation; or
- the efficiency of the force is inadequate because it is considerably lower than might reasonably be expected.

## Annex B – Further information about the data

### Figure 3

Planned changes to police officer full time equivalents (FTE) in operational frontline, operational support and business support roles in the force/constabulary, 31 March 2010 to 31 March 2018.

The data used in figure 3, for March 2010 and March 2015 is taken from the Home Office annual data return 601 and does not include workforce allocated under category '62 other' whereas the data used in figure 4 for March 2010 and March 2015 is taken from the Home Office annual data return 502 and is inclusive of this category. Therefore totals data may not match exactly.

### Figure 4

Planned changes in workforce FTE from 31 March 2010 to 31 March 2018 for the force/constabulary compared to England and Wales. The figures in table 4 are rounded to the nearest whole person, full time equivalents (FTEs), and therefore may differ slightly to the exact figures quoted within the report.

For data as at 31 March 2010 and 31 March 2015 we have used Home Office annual data return data which is an 'actual' FTE, whereas for projections for March 2018 are budget based projections and therefore are likely to take into account a vacancy rate depending on a force's/constabulary's planning strategy. In some instances therefore an increase in budgeted posts may not actually indicate the force/constabulary is planning to increase its workforce. In other cases, forces may be planning to reduce their workforce but have a current high vacancy rate which masks this change.

Due to the complex and continually evolving picture of workforce collaboration between neighbouring forces, not all changes in workforce figures are real in terms of the workforce available. Involvement in strategic alliances and/or regional organised crime units (ROCU) would be an example of where changes over time are likely to be skewed. Therefore sharp increases or decreases over time need to be considered with caution as they may simply represent accounting changes related to how staff are allocated to forces, not real changes in staffing levels.

At the time of the inspection, the future financial climate was uncertain. Several forces were in a position where they did not have confirmed/signed-off plans for workforce projections. It is important to note that figures provided are in many instances unconfirmed estimates provided to assist HMIC in its inspection programme and should not be seen as a concrete plan for the future landscape of policing. These comments apply to figure 3 and figure 4.

## Figure 5

Estimated change in expenditure from 2011/12 to 2014/15, and forecast change in expenditure for 2015/16 to 2019/20, against the 2010 GRE baseline for the force and England and Wales

Figure 5 shows how force expenditure has changed over the period of the spending review, relative to the total change in expenditure for all forces across England and Wales. For 2015/16 onwards there has been a change in methodology in comparison to the value for money inspection. The savings requirement is no longer inflated gross revenue expenditure (GRE) minus expenditure but the sum of planned savings and use of reserves to bridge an in-year funding gap. This change is indicated by the vertical dashed line on the chart. The chart shows planned savings (including use of reserves to bridge an in-year funding gap) in future years, calculated using the planned savings for pay and non-pay budgets provided to HMIC at the time of the data collection (February 2015). Some forces only provided figures for savings they had formally signed off at that point, while others provided estimates for the whole period. Therefore small savings requirements do not necessarily equate to a small savings challenge for the future.

## Figure 7

Breakdown of reserves remaining as a proportion of in-year net revenue expenditure, and total reserves remaining (£), for 2014/15 to 2018/19.

According to a survey of financial directors conducted by the Audit Commission,<sup>7</sup> it is commonly considered that three percent to five percent of net revenue expenditure is a prudent level of unallocated general reserves for risk-based planning purposes. This range is shown on the graph by the two horizontal red dotted lines.

Please note that all categories of reserves for the force/constabulary are held by the PCC apart from City of London and the Metropolitan Police Service where reserves are held by the City of London Corporation and MOPAC respectively.

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<sup>7</sup> *Striking a balance: Improving councils' decision making on reserves*, Audit Commission, December 2012. Available from <http://webarchive.nationalarchives.gov.uk>