

# PEEL: Police efficiency 2015

An inspection of Durham Constabulary



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

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



**Outstanding**

HMIC found that Durham Constabulary is exceptionally well prepared to face its future financial challenges. HMIC found that the constabulary has a comprehensive understanding of the demand for its services and is using innovative ways of working to manage demand, with evidence of widespread problem-solving jointly with other local organisations. The constabulary has an impressive track record of robust financial management, accurate budgeting and achieving planned savings. This provides significant confidence that the constabulary can achieve the savings required through to 2018/19. In last year's value for money inspection, which considered how forces had met the challenge of the first spending review period, the constabulary was judged to be good.

## Summary

HMIC judges Durham Constabulary to be outstanding. It has a comprehensive understanding of the demand for its services, especially from the public and this enables its resources to be deployed effectively. The use of innovative ways of working to manage and reduce demand is widespread, and is often achieved by working together with other organisations. Change processes are well understood, and it uses various methodologies to review the way the constabulary provides services to the public while achieving value for money.

The constabulary is using information technology (IT) to bring about greater efficiencies and effectiveness with realistic plans for future improvements. It works with many other organisations, with each opportunity assessed to check it provides added value and reduces costs.

The constabulary's operating model<sup>2</sup> matches current demand, organisational needs and financial requirements. There is a good understanding of the level of skills and capability required to ensure the constabulary can meet current and future demand and it is continuing to make a significant investment in training its workforce.



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

<sup>2</sup> Operating model –the way in which a police force is organised in terms of its structure and the processes it has adopted and operates in order to achieve its objectives.

There are detailed financial plans in place that provide confidence that the constabulary can achieve the savings required through to 2018/19. The constabulary has an impressive track record of robust financial management, accurate budgeting and achieving planned savings. The constabulary regularly reviews costs and spending, and invests in areas that will lead to reductions in demand, increase problem solving and improve workforce skills.

The constabulary is harnessing opportunities for additional funding and income generation which are contributing to its financial viability and improving how it manages demand. It has strong financial controls, a good understanding of current and future risks and is taking action to mitigate and reduce these risks. The constabulary's current saving plans prioritise expenditure on the objectives in the police and crime plan and are not reliant on the use of reserves.

<b>How well does the force use its resources to meet its demand?</b>	<b>How sustainable and affordable is the workforce model?<sup>3</sup></b>	<b>How sustainable is the force's financial position for the short and long term?</b>
 <b>Outstanding</b>	 <b>Outstanding</b>	 <b>Outstanding</b>
<p>The constabulary understands fully the demand for its services, especially from the public. It carries out regular and comprehensive assessments of demand taking into account threat, risk and harm, using information from a wide range of sources. It uses these assessments to ensure its resources are deployed flexibly to meet</p>	<p>The constabulary's operating model matches current demand, organisational need and financial requirements.</p> <p>The constabulary is taking effective steps to tailor its workforce plans to transform the way it will provide services in 2018; it has aligned its medium and long term plans to its workforce development and</p>	<p>The constabulary has detailed financial plans in place to achieve the savings required through to 2018/19, and has a strong track record of robust financial management in the past.</p> <p>The constabulary regularly reviews costs and spending, while investing in areas that lead to reductions in demand,</p>

<sup>3</sup> Workforce model – the way in which the workforce is organised; in the case of the police, it includes police officers, even though they are holders of the office of constable and therefore not employees of their police forces; it also includes police community support officers and police staff.

<p>fluctuating and unexpected demand.</p> <p>The constabulary is using widespread and innovative ways of working to reduce demand, often working with other organisations. It is fully committed to preventing crime and engaging with its communities through a problem-solving approach. This approach has helped the constabulary meet and often reduce demand for its services.</p> <p>There is a robust performance management regime in place, with a particular focus on maintaining high levels of victim satisfaction.</p> <p>Change processes are well understood with various methodologies used to review the way the constabulary provides services to the public and value for money. The constabulary is making rigorous efforts to support its workforce during periods of change, with various opportunities offered for them to shape the way services are provided in the future.</p> <p>The constabulary is using IT to bring about greater efficiencies and increase effectiveness with realistic</p>	<p>training plans. The constabulary has a good understanding of the level of skills and capability it needs to ensure it can meet current and future demand and is continuing to make a significant investment in training its workforce.</p> <p>The constabulary is projecting a requirement to lose more staff, with the majority of reductions anticipated through a mix of voluntary severance and voluntary redundancies. HMIC is of the view that these projections are based on realistic assumptions. Work has already begun to ensure the current operating model can accommodate future reductions in the workforce.</p>	<p>increases in problem solving and improvements in workforce skills.</p> <p>The constabulary is maximising opportunities for additional funding and income generation which are contributing to its financial health and improving how it manages demand.</p> <p>The constabulary has strong financial controls, a good understanding of current and future risks and is taking action to mitigate and reduce those risks.</p> <p>The constabulary's current savings plans prioritise expenditure to focus on the objectives in the police and crime plan and are not reliant on the use of reserves.</p> <p>The constabulary has the capability, capacity and governance structures to achieve the required savings and organisational change.</p> <p>This provides confidence that the constabulary will be able to achieve the required savings in the future.</p>
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<p>plans for future improvements such as the use of mobile data. All new ways of working are assessed to ensure they provide value for money and reduce costs.</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



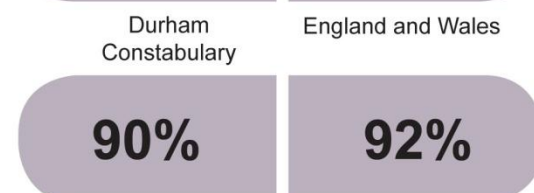
Planned change in total workforce numbers 31 March 2015 - 31 March 2018



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)

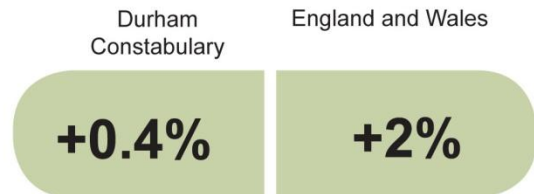


Workforce cost per head of population compared to England & Wales (2014/15)

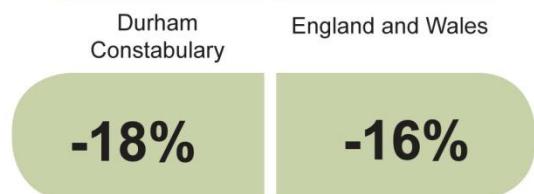


## Key statistics

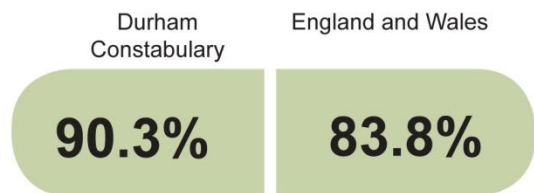
Changes in recorded crime (excluding fraud) 12 months to 31 March 2014 to 12 months to 31 March 2015



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



Victim satisfaction 12 months to 31 March 2015



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



**Victim satisfaction:** Durham confidence interval +/- 1.7 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 Durham Constabulary.

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

HMIC examined how Durham Constabulary understands the demand for its services, 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?

The constabulary carries out regular and comprehensive assessments to understand the threats it faces, the harm those threats may cause and the risk of such threats occurring. These assessments are used to decide the constabulary's priorities which are detailed on a single sheet of paper called 'the Plan on a Page'. Regular reviews are undertaken to ensure these priorities are being met.

Information to understand demand is taken from various sources, such as the constabulary's computer systems, community meetings and social media, and from a range of organisations, including local authorities and local universities. Demand analysis is included as part of regular reviews carried out throughout the year at meetings such as the constabulary's monthly threat and risk meetings and the constabulary's leadership group meetings. These meetings are chaired by chief officers and attended by the police and crime commissioner (PCC) or his representative. This way of working gives appropriate consideration to both regional and national requirements to assist in tackling issues such as serious and organised crime. Demand in this area is addressed through the North East Regional Specialist Operations Unit, made up of staff from Cleveland Police, Durham Constabulary and Northumbria Police.

HMIC was provided with examples where these processes have not only ensured the constabulary fully understands demand but have changed the way it works. For example, the constabulary identified increased demand was being placed on its workforce due to a lack of ambulance provision. As a result, for the last two years the constabulary has run a winter initiative which saw dual-crewed police and ambulance cars and a paramedic located within the constabulary's control room. By working with the North East Ambulance Service (NEAS) in this way, more permanent arrangements were put in place and staff can now have direct contact via telephone with a paramedic. This has reduced demand on the constabulary by reducing the amount of time staff wait for medical assistance at incidents. It has also reduced demand on NEAS and ensures patients receive timely and appropriate treatment.

Durham has also conducted detailed analysis of other areas of significant demand such as incidents where people are reported missing by friends or family. Through this work the constabulary has gained a good understanding of the demand, the reasons behind it and associated costs. This has led to new and innovative ways of working which have seen a reduction in the amount of time that officers spend investigating missing persons, savings in the costs associated with investigations and improvements in the way vulnerable people are protected from harm.

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

Durham uses a cascade approach to assess demand from a force level down to a neighbourhood level, to ensure its resources are deployed flexibly to meet fluctuating and unexpected demand. At a force level this is done at the monthly constabulary leadership group meeting chaired by the chief constable. The meeting is used to address any issues about demand that may have an impact on the constabulary achieving its priorities including those detailed in the police and crime plan.

The constabulary uses the monthly threat and risk meetings to reassess any changes in demand at a more tactical level. The constabulary's centralised resourcing unit provides information for these meetings. The unit uses various sources to predict peaks in demand. This ensures the constabulary can respond to immediate unexpected demands, fulfil the operational and organisational needs of the constabulary and, when necessary, provide resources to meet regional and national requirements.

These arrangements are supplemented with meetings at a local level. For example, daily meetings take place to allocate officers and staff to areas of new and existing demand. Constabulary IT systems such as Red Sigma are used to provide up-to-date information to support this process and to record decisions and actions to address any issues. HMIC found these meetings to be effective in managing demand, with managers having the ability to allocate resources based on recent and relevant information.

An example of the constabulary benefiting from having these processes in place is its response to reports of historical sexual and physical abuse of detained persons at Medomsley detention centre. The investigations are ongoing and to date over 1,000 victims have been identified. Durham Constabulary has been able to resource this significant and unexpected demand mainly by using a combination of existing specialist investigators, secondments from other departments and the appointment of new staff, including former police officers. The constabulary has been recognised nationally in respect of victim care in relation to this operation.

The constabulary attends almost all incidents that are reported to it, unless attendance is not possible because the victim or caller lives outside the force area or some distance away from the force area. The targets that are set for the constabulary are for immediate response incidents to be attended within 15 minutes in urban areas and 20 minutes in rural areas and for incidents graded as a priority to be attended as soon as practicable and within an hour. For scheduled incidents, the caller will be contacted within a maximum of 24 hours to arrange an appointment. The system is known as a 'diary car' system and has been used by the constabulary for approximately five years. It gives members of the public who report incidents or crimes greater flexibility as to when an officer visits them. This way of working also helps the constabulary plan its staffing levels based on predictable demand. Use of the diary car system has increased year on year and the constabulary estimates that it deals with 17 percent of its current demand.

The constabulary regularly reviews how well it has allocated resources against demand at different times to make sure that the way it responds to incidents remains efficient. This process led to a recent review of the constabulary's shift pattern based on known and predicted demand. This resulted in more staff on duty during busy periods, supporting one of the constabulary's priorities of putting the public first.

However, staff and officers spoken to as part of the inspection expressed concern that shift changes have resulted in a perception that supervisors and managers are less accessible to them. The workforce also felt an increased sense of vulnerability, particularly on night shifts. HMIC acknowledges the changes are recent, and the constabulary has plans in place to review the new shift system in the near future.

The constabulary uses IT and new technology to increase efficiency in the deployment and allocation of its resources. For example, it uses an IT system called Durham Constabulary Organisational Performance (DCOP) which provides data to managers and supervisors and is used to monitor activity at constabulary, locality, or individual level. This helps the constabulary ensure the resources it allocates are managing demand effectively.

All frontline officers, police community support officers (PCSOs) and special constables have been issued with and trained in the use of body-worn video cameras. This has led to evidence being captured from the scenes of crimes and incidents more efficiently and has made officers available sooner for re-deployment. The constabulary also uses satellite navigation systems which are linked to IT systems in the control room to ensure the efficient deployment of officers to incidents.

The constabulary has been eager to progress mobile working to enable officers to spend more time out in the community rather than in police stations. There have been difficulties created by a lack of mobile data coverage in some areas of the constabulary but it is hoped that the ongoing rollout of 4G services will improve this.

Despite this issue, a series of mobile data pilots is continuing to take place and the constabulary has worked with other forces, including West Yorkshire Police, to identify best practice. To ensure this way of working is cost-effective, the constabulary is waiting for its new IT system, Red Sigma, to be fully functional before progressing further. The system has been designed to operate on a mobile platform when the option becomes available.

While this may be a prudent and logical approach, staff and officers spoken to as part of this inspection felt they had not been fully updated as to why things have not progressed sooner. Given the scale of workforce cuts to date, the projections for the future and emerging demand, there is a real hope from the workforce that this project will provide genuine benefit to them and the organisation.

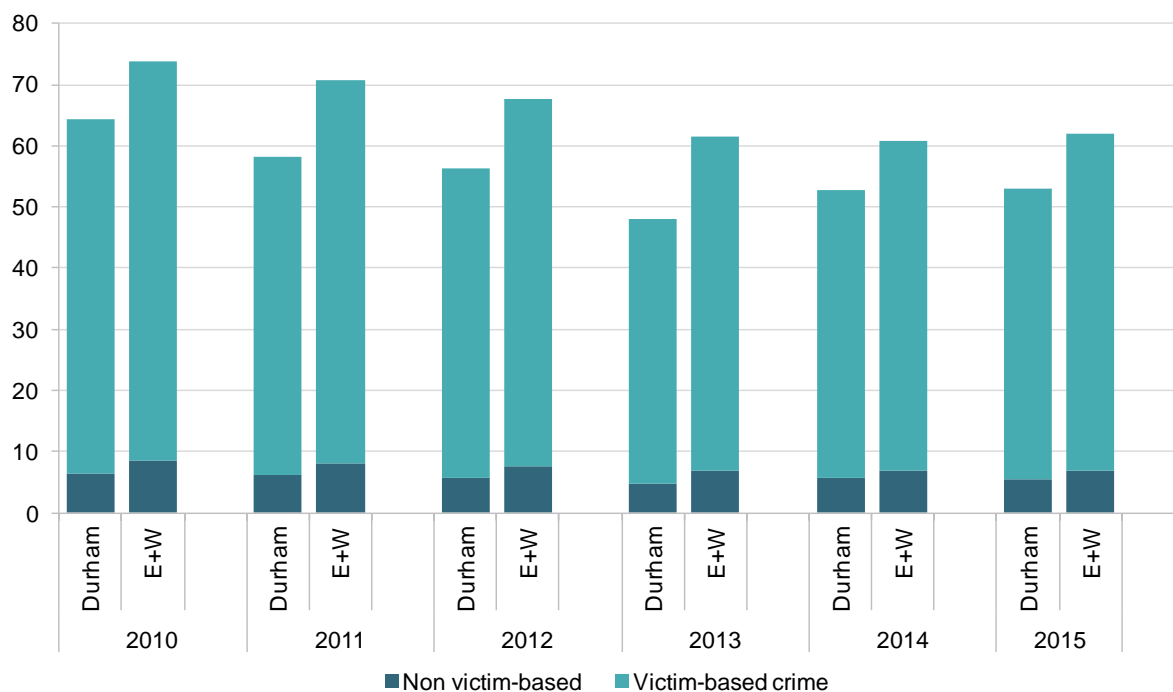
## **How well are the force's services meeting the demand from the public?**

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

Although police recorded crime is by no means a complete measure of the totality of demand a constabulary faces, it does provide a comparable performance indicator across all forces. Crime rates are reported as a 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. possession of drugs) Two thirds of forces showed an annual increase in total 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.

In the 12 months to 31 March 2015, Durham had a victim-based crime rate of 47.6 and a non-victim-based crime rate of 5.4 per 1,000 population. This represents a decrease (18 percent) in the victim crime rate and a decrease (17 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 on the following page.

**Figure 1: Police recorded crimes per 1,000 population in Durham 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 Durham 90.3<sup>4</sup> percent were satisfied with their whole experience with the police in the 12 months to 31 March 2015. This is higher than the national victim satisfaction rate of 83.8<sup>5</sup> percent over the same time period. 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 Durham.

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

<sup>4</sup> Durham, confidence interval +/- 1.7 percent.

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

**Figure 2: Methods of public engagement used by Durham 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	Yes
Web forum	No
Instagram	No
Local phone (not 999 or 101)	Yes

**Source: HMIC Efficiency data collection**

The constabulary has carried out work to understand the different ways in which the public contacts it to seek information. This work has influenced the wide range of channels available to the public to make contact. All police constables and PCSOs have been trained to use Facebook and are encouraged to use it to communicate with the local community. The constabulary also uses video blogs and has recently launched question and answer sessions with the chief constable via Facebook. This facility is soon to be extended to all neighbourhood inspectors.

The constabulary has changed some of its existing systems to make information easier to find for both the public and its workforce. For example, changes have recently been made to the constabulary's website, and all pages on Facebook relating to neighbourhood policing staff now have a greater relevance to local geographical areas rather than individual teams.

The constabulary is keen to provide its communities with the opportunity for face-to-face contact with its workforce. All police stations provide a means of public interaction, either through a front counter, or intercom for the public to request a meeting with a police officer.

The workforce is also encouraged to raise the awareness of the dates and locations of community meetings, such as Police and Community Together (PACT) meetings in every interaction with the public. The constabulary undertakes over 170 PACT meetings across all geographical areas which are seen as important for both giving and receiving information.



The constabulary has been successful in reducing its budget while maintaining a high quality of service to the public. The constabulary uses information from various sources, such as reasons for dissatisfaction from the public and staff, to influence the way it develops and improves its services. In addition, chief officers take personal responsibility for ensuring the workforce learn from their mistakes and other people's mistakes and so provide a better service to the public. For example the constabulary has systems in place to learn directly from complaints about the level of service provided to victims of crime or anti-social behaviour (ASB). This victim support group gives the victim an opportunity to provide feedback regarding all aspects of the criminal justice system; this is forwarded to the group and discussed at monthly meetings to influence changes to victim care services.

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

The constabulary has a good understanding of the range and complexity of the demand it faces, especially the demand on its services from the public. Information and analysis is gained from various sources. For example, the constabulary has adapted its IT systems to ensure they can identify all incidents involving alcohol, mental health, ASB, lack of ambulance provision, and hate crime. This has enabled the constabulary to focus its efforts on reducing this type of demand through a problem-solving approach with other organisations.

The constabulary also uses information to identify hidden demand in areas associated with diverse communities, safeguarding vulnerable adults and sexual exploitation of children. In addition, it is seeking to identify and predict future demand relating to emerging crime threats such as cyber-crime and a growing night-time economy. Part of the constabulary's response to addressing this type of demand has been through providing training in areas such as cyber-crime, child sexual exploitation (CSE) and mental health. The constabulary has also worked with local authorities and the NHS to implement two safeguarding hubs where different groups and organisations work together. This has resulted in an improved victim focus and more effective management of demand.

The constabulary is making good use of this understanding to manage current demand. For example, to address increases in cases of domestic abuse and CSE it has recently merged its safeguarding unit with neighbourhood policing staff. This is expected to raise awareness among staff of these types of incidents, increase information sharing and improve the unit's effectiveness in meeting demand.

The constabulary is using many different innovative ways of working to reduce demand and prevent people entering the criminal justice system. For example, the constabulary has been an early adopter of restorative justice approaches which involves bringing the victim and offender together for mediation or reparation rather than the traditional prosecution-based approach.

The constabulary has also partnered with criminal justice organisations and academia to provide a new approach to demand reduction by targeting offenders at the earliest stage of the criminal justice process. The initiative is known as 'checkpoint' and has been supported by the Police Innovation Fund. Individuals enter into a contract to prevent further offending which may involve wearing an electronic tag or receiving treatment for drug or alcohol addiction. The scheme is being evaluated by the University of Cambridge later in the year.

The constabulary has been successful at using volunteers and a wide range of community watch schemes. It has some of the highest Neighbourhood Watch coverage nationally, and figures provided by the constabulary show County Durham has over 218,000 households in the scheme while Darlington has over 48,000 households.

As well as managing demand, the constabulary has worked hard to redirect or reduce unnecessary demand by working with other organisations and improving working relationships. However, it acknowledges there are further improvements to be made as it is still dealing with issues which are the responsibility of other organisations.

This way of working enables the constabulary to share information and take part in various problem-solving initiatives with a wide range of organisations. It regularly identifies the top ten calls for service relating to missing persons, ASB, victims, offenders and locations. These are then addressed at a local level by a problem-solving plan. HMIC was provided with good examples of resources being allocated to various initiatives to tackle problem tenants and troubled families by working with different groups or organisations.

Mental health has been identified as a complex and demanding issue for the constabulary to deal with. To help address this, the constabulary has recently adopted the mental health crisis care concordat. This requires responding services to have at least a basic level of service for those experiencing mental health crises. In addition, the constabulary has adopted a number of initiatives to enhance its ability to support people who have issues with their mental health. For instance, staff dealing with those in crisis who require immediate intervention are now able to have direct contact via telephone with mental health specialists. Similar specialists are now available in custody suites, and victim support teams have been given additional training in mental health to support the needs of victims of crime.

Another example of the constabulary working together to reduce demand is its work with Darlington Hospital after the hospital was identified as one of the top callers in terms of the number of incidents. In response, the constabulary has provided a sergeant and PCSO to work in the hospital with the aim of reducing demand on the constabulary. This approach has seen a dramatic reduction in the number of incidents and has reduced demand on both the constabulary and the NHS, earning

the constabulary national recognition. Similarly, funding has been secured to employ a 'tri-responder' performing the functions of a PCSO, fire officer and paramedic in a rural area of County Durham. Initiatives such as these are helping the constabulary manage demand and improve its service to the public.

During this inspection HMIC spoke to representatives from various organisations who confirmed that Durham has well-established and productive relationships with them. Staff at all levels of the force were described as being extremely positive and responsive to working in partnership to reduce crime and ASB, and to protect vulnerable people. They described the work of the force as making a positive difference to the communities of County Durham and Darlington.

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

Durham Constabulary has a robust performance management framework in place to monitor and manage its ability to have an impact upon crime and offending. It uses information from other organisations as part of its regular and comprehensive assessments of demand, threat, risk and harm. Scrutiny and accountability for performance is evident at various levels of the constabulary.

The constabulary reviews performance through a wide range of meetings, including the monthly force leadership group, citizens' journey board and threat and risk meetings chaired by chief officers. Independent scrutiny is provided by the police and crime commissioner through his attendance at a range of these meetings.

The constabulary has enhanced the way it monitors and manages performance using the knowledge of other organisations. For example, the Cambridge Crime Harm Index<sup>6</sup> has been used to understand the disproportionate effect that certain types of crime have on how safe the public feels. This has enabled the constabulary to prioritise its response to particular crimes in the knowledge that doing so makes communities feel safer.

There is a good understanding of what it costs to provide a service which is gained through regular assessments of outputs, outcomes and costs. The constabulary makes great efforts to ensure it gives the public value for money. Over the last ten years this way of working has cut waste, created a lean organisation and has enabled it to create departments tailored to meet the current demands placed on the constabulary.

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<sup>6</sup> Crime Harm Index (CHI) – a way of consistently measuring the harm done by crime rather than simply counting offences.

The constabulary stringently controls expenditure through regular and robust financial planning. Plans are monitored on a monthly basis to ensure they are up-to-date and are being achieved according to set timescales. In addition, detailed budget reports are scrutinised on a quarterly basis by the police and crime commissioner. These processes are made more effective through the strong leadership of the assistant chief officer (ACO) for finance and human resources (HR) and the positive working relationships between staff in the finance and HR departments.

There is good management of demand –the constabulary regularly monitors demand against resourcing as a measure of productivity. The constabulary has carried out a range of analyses to ensure the services it provides give value for money, These have provided an accurate assessment of the different services it provides and associated costs. For example, the constabulary has calculated both the cost and benefit to the public of staff attending PACT meetings.

The constabulary regularly compares its service costs to other organisations, including the use of HMIC’s value for money (VfM) profiles. For example, a recent review of the constabulary’s fleet services has been carried out due to some costs being above average. The constabulary has set up user groups to make sure that services are not only providing value for money but are also meeting the needs of the organisation.

The constabulary has also worked with other forces such as Gwent, Bedfordshire, Norfolk and Suffolk to compare the way it provides its services and ensure it is as efficient as possible.

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

The constabulary continuously reviews its systems and processes to find innovative ways of working and cost-saving ideas. This ranges from making savings in the way it uses its buildings and vehicles to finding new IT solutions to track offenders and reduce crime. There are excellent links with the private sector and other organisations, such as universities, to provide the research and knowledge to support new ways of working.

Over the last decade the constabulary has used business improvement methodologies and a problem-solving approach to embed a culture of continuous improvement. Staff spoken to during the inspection confirmed that, wherever possible, the constabulary explores new ways of working. This ensures value for money and improvements in the way services are provided to both the public and the workforce. For example, it has adopted modern working methods such as ‘agile working’ which has enabled it to make cost savings by reducing the size of its new headquarters.

HMIC found that great effort is made by the constabulary to support the workforce during periods of change. For example, opportunities are made available to be involved in the development and implementation of change through working groups. Similarly, a 'bright ideas' scheme is in place to encourage individuals to submit ideas for improvements. The staff associations all play a vital role in managing change. Representatives of the staff associations, spoken to during our inspection, described having a good relationship with the chief officer team with various opportunities provided for them to influence change.

Members of the chief officer team use the intranet to provide webcast updates to the workforce on change programmes and other important issues. Following the monthly force leadership group meetings, the chief constable updates the workforce about the principal issues coming from the meeting via the webcast.

The constabulary has actively sought feedback from internal and external sources to help shape the way it provides services. In 2012 it began a programme with Durham University to help it to understand the impact of change on its workforce. This has developed into a programme that has introduced new concepts to internal staff engagement and surveys. This understanding is influencing the way the constabulary implements future changes.

The constabulary has a comprehensive plan in place to ensure it has the necessary technology to support and improve the efficiency of its services. The plan includes three major IT projects (case and custody, Red Sigma and mobile data) which are all seen as vital tools to support day-to-day activities and make them as efficient as possible. When researching new technology, the constabulary considers best practice in other forces or organisations. For example, it looked at the private sector when developing Red Sigma and mobile data to ensure the systems supported improvements to customer service.

The constabulary has invested in a wide range of technology to improve its capacity and capability. When the constabulary adopts new technology it ensures benefits are identified and tracked. For example, by changing to a new case and custody IT system, the constabulary estimates it has reduced the costs of maintenance from £250,000 to £50,000 each year. It has also fitted some police vehicles with a system called 'Telematics'. This has enabled the constabulary to improve standards of driver behaviour, response times and fuel usage. In addition, the constabulary has introduced new working practices to improve support to victims through the use of technology such as body-worn video cameras and personal alarm systems. The constabulary also makes extensive use of IT systems such as Blue Delta to share data with other organisations. It is currently considering the feasibility of providing these organisations, which include the Department for Work and Pensions and the NHS, with further access to bring about improvements by ensuring they are able to act on accurate and up-to-date information.

The constabulary is good at working together with other organisations to ensure savings are being made without damaging services to the public. An example of this is the way the constabulary works with Cleveland Police to provide specialist policing functions such as firearms and road policing. It also collaborates with other organisations such as the fire and rescue service through sharing a joint training facility and incorporating Newton Aycliffe police station into the existing fire station. Due to the success of these initiatives, the constabulary is considering similar arrangements at other locations. There are also plans in place to create a shared control room with other emergency services such as fire and rescue, ambulance and search and rescue. These plans have the potential to improve services to the public and make significant savings.

In addition, the constabulary is in discussion with a number of nearby forces to purchase IT systems jointly. Further, Durham Constabulary has launched a new collaboration programme called 'Evolve' with North Yorkshire Police. The aim of this is 'to identify cost and operational efficiencies through the potential integration of certain functions and services'. Initially these will be services associated with major crime and civil emergencies; the programme will then be expanded to consider other specialist areas.

Every opportunity for a partnership or collaboration is reviewed and assessed to check its added value and costs. The constabulary keeps an up-to-date register of all active collaboration, and has a comprehensive understanding of why it has entered into collaboration and what benefits it hopes to achieve.

## Summary of findings



**Outstanding**

The constabulary understands fully the demand for its services, especially from the public. It carries out regular and comprehensive assessments of demand taking into account threat, risk and harm, using information from a wide range of sources. It uses these assessments to ensure its resources are deployed flexibly to meet fluctuating and unexpected demand.

The constabulary is using widespread and innovative ways of working to reduce demand, often working with other organisations. It is fully committed to preventing crime and engaging with its communities through a problem-solving approach. This approach has helped the constabulary meet and often reduce demand for its services.

There is a robust performance management regime in place, with a particular focus on maintaining high levels of victim satisfaction.

Change processes are well understood with various methodologies used to review the way the constabulary provides services to the public and value for money. The constabulary is making rigorous efforts to support its workforce during periods of change, with various opportunities offered for them to shape the way services are provided in the future.

The constabulary is using IT to bring about greater efficiencies and increase effectiveness with realistic plans for future improvements such as the use of mobile data. All new ways of working are assessed to ensure they provide value for money and reduce costs.

## How sustainable and affordable is the workforce model?

HMIC examined how Durham 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 force 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.

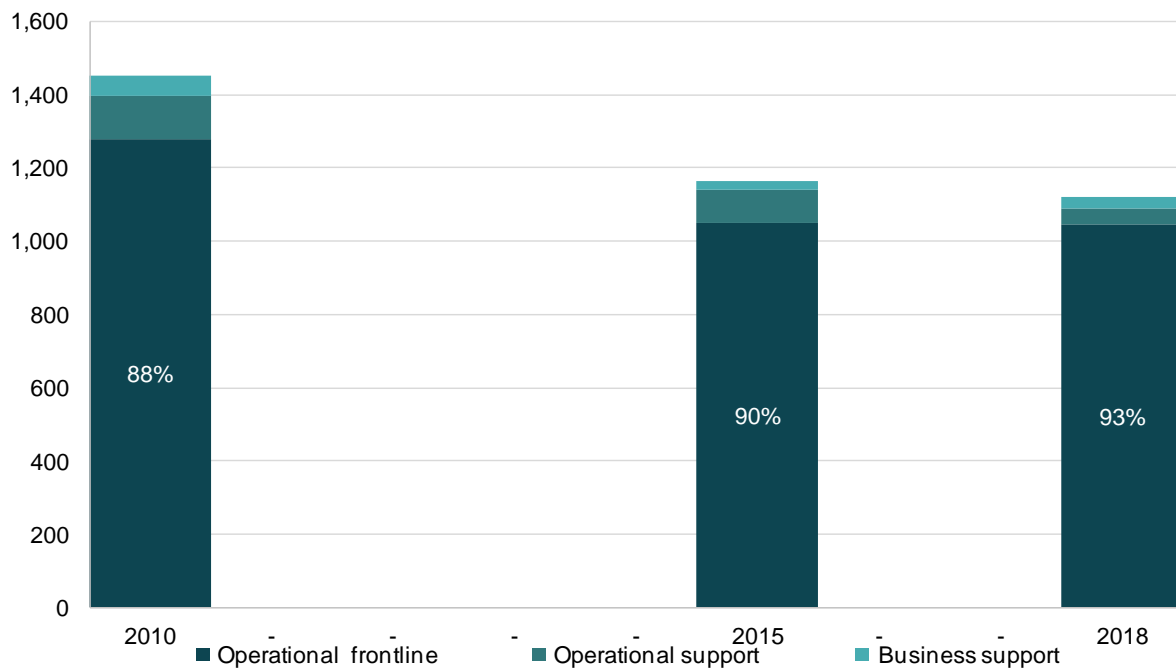
### **How well does the force's current workforce model match demand, organisational and financial requirements?**

Durham Constabulary forecasted a total savings requirement over the first four years of the spending review as part of the value for money inspection (2011/12 to 2014/15) of £20.76m, the equivalent of 15% of the 2010/11 gross revenue expenditure for the force. Savings were made in both the pay and non-pay budgets. Since 2010, the constabulary has seen a reduction of 339 police officers, 109 staff and 18 PCSOs, full time equivalent (FTE).

In the constabulary, there has been a reduction of 339 in the total number of police officers FTE over the period 2010 to 2015, as shown in figure 3 on the following page. During this time period the proportion in frontline roles has increased from 88 percent in 2010 to 90 percent in 2015. The constabulary 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 Durham 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 constabulary implemented a new operating model in 2010/11, which enabled it to reduce its workforce by 18 percent during the course of the last spending review period. The current structure enables the constabulary to match its workforce against its demand and financial requirements and is closely aligned to the police and crime commissioner’s police and crime plan.

The constabulary has compiled a detailed workforce plan to cover the next three years which is closely aligned to its financial planning and includes an impact assessment of changes to the workforce.

There is an acknowledgment by the constabulary that, although the current operating model is fit for purpose, this will have to be reviewed in the future to accommodate a shrinking workforce.

The constabulary has a comprehensive understanding of the number of posts and cost of its current workforce as well as a good understanding of its skills and capability. This understanding allows time for detailed discussions between senior managers to assess the impact of any changes and mitigate the risks to services through effective succession planning.

The constabulary has a good understanding of the skills it needs to ensure it can meet current demand and has maintained a significant investment in both internal and external training.

Training plans are developed on an annual basis to ensure the workforce has the required skills to do its job. The constabulary’s learning and development department maintains a training database, which holds records of all training undertaken by each individual. This enables an accurate database of skills to be maintained which is matched to demand.

There is a strong drive in the constabulary for staff and officers to take responsibility for their own learning by undertaking continuous professional development as part of their day-to-day activities.

## 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 Durham 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	1,507	-22%	-12%	1,169	-4%	-6%	1,120
Police Staff	920	-12%	-19%	810	-10%	-6%	729
PCSOs	175	-10%	-27%	157	-15%	-11%	134
<b>Workforce total</b>	<b>2,602</b>	<b>-18%</b>	<b>-15%</b>	<b>2,136</b>	<b>-7%</b>	<b>-6%</b>	<b>1,983</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

To ensure it can meet changes in demand, as well as future organisational and financial requirements, the constabulary has projected its future workforce numbers up to 2018.

The constabulary intends to achieve the required workforce reductions by using voluntary severance for police officers, voluntary redundancy and early retirement for police staff. It recognises the need to be representative of the communities it serves and is taking positive steps to encourage people from diverse communities to work for the constabulary.

Work has already begun to ensure the current operating model can accommodate future reductions in the workforce. For example, there has been a recent review of response staff, leading to a revised shift pattern. A similar review of neighbourhood policing is currently taking place. The constabulary is also changing working practices, such as by introducing 'agile' working, to increase efficiency.

During this inspection HMIC spoke to a number of highly skilled and knowledgeable staff working in specialist areas within business support and workforce planning. To ensure it can meet the financial challenges ahead, the constabulary needs to ensure any reductions in its workforce do not have a negative impact on the capacity and capability of these key roles.

The constabulary is able to align its medium and long-term plans to workforce development and training plans. It has placed the resourcing unit and learning and development department under the same senior manager to ensure that operational training requirements are balanced against peak operational demands. This person is also the business change lead for the constabulary and ensures that long-term planning is factored into demand management at the earliest possible stage.

The constabulary has identified the number of posts which need to be removed in order to meet future saving requirements, while maintaining the current levels of service. These workforce projections are based on realistic assumptions.

## Summary of findings



**Outstanding**

The constabulary's operating model matches current demand, organisational need and financial requirements.

The constabulary is taking effective steps to tailor its workforce plans to transform the way it will provide services in 2018; it has aligned its medium and long term plans to its workforce development and training plans. The constabulary has a good understanding of the level of skills and capability it needs to ensure it can meet current and future demand and is continuing to make a significant investment in training its workforce.

The constabulary is projecting a requirement to lose more staff, with the majority of reductions anticipated through a mix of voluntary severance and voluntary redundancies. HMIC is of the view that these projections are based on realistic assumptions. Work has already begun to ensure the current operating model can accommodate future reductions in the workforce.

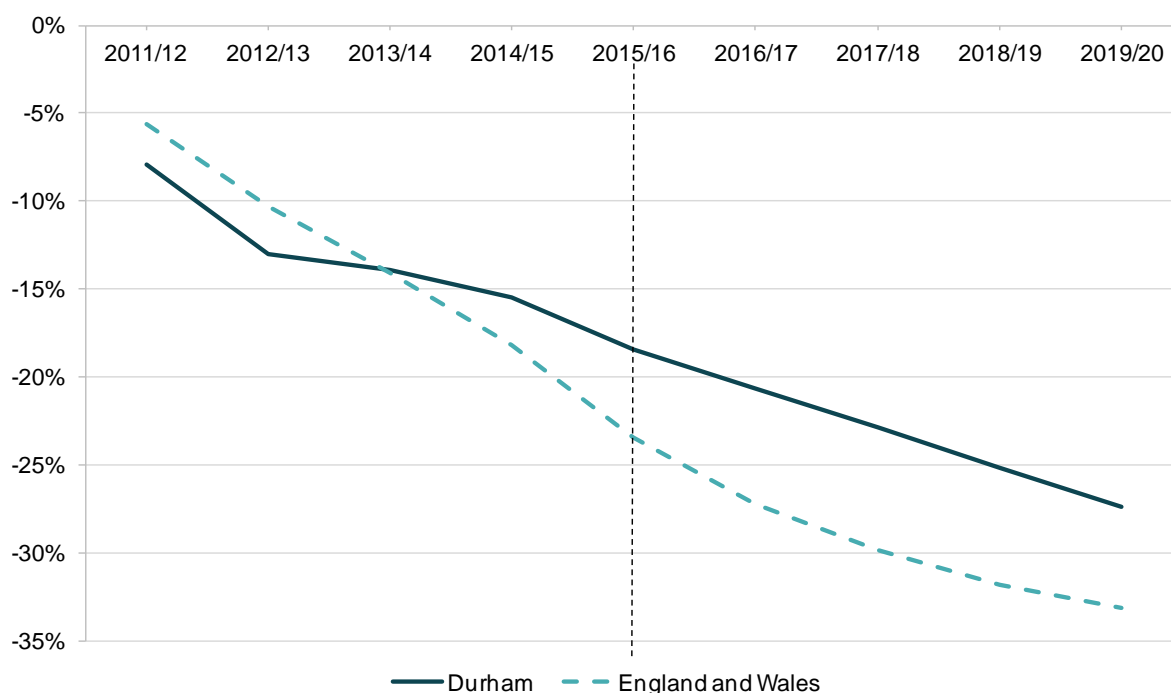
## **How sustainable is the force's financial position for the short and long term?**

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?**

Durham Constabulary forecasted savings of £20.76m over the first four years of the spending review (2011/12 to 2014/15), the equivalent of 15 percent of the 2010/11 gross revenue expenditure for the constabulary. 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 forecast planned savings for 2015/16 to 2019/20, against the 2010 gross revenue expenditure baseline for Durham 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 3 please see Annex B**

The constabulary achieved the £20.8 million savings requirement and balanced the budget for the previous spending review period. These savings were achieved earlier than most other forces, which enabled the constabulary to strengthen its reserves during this period.

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

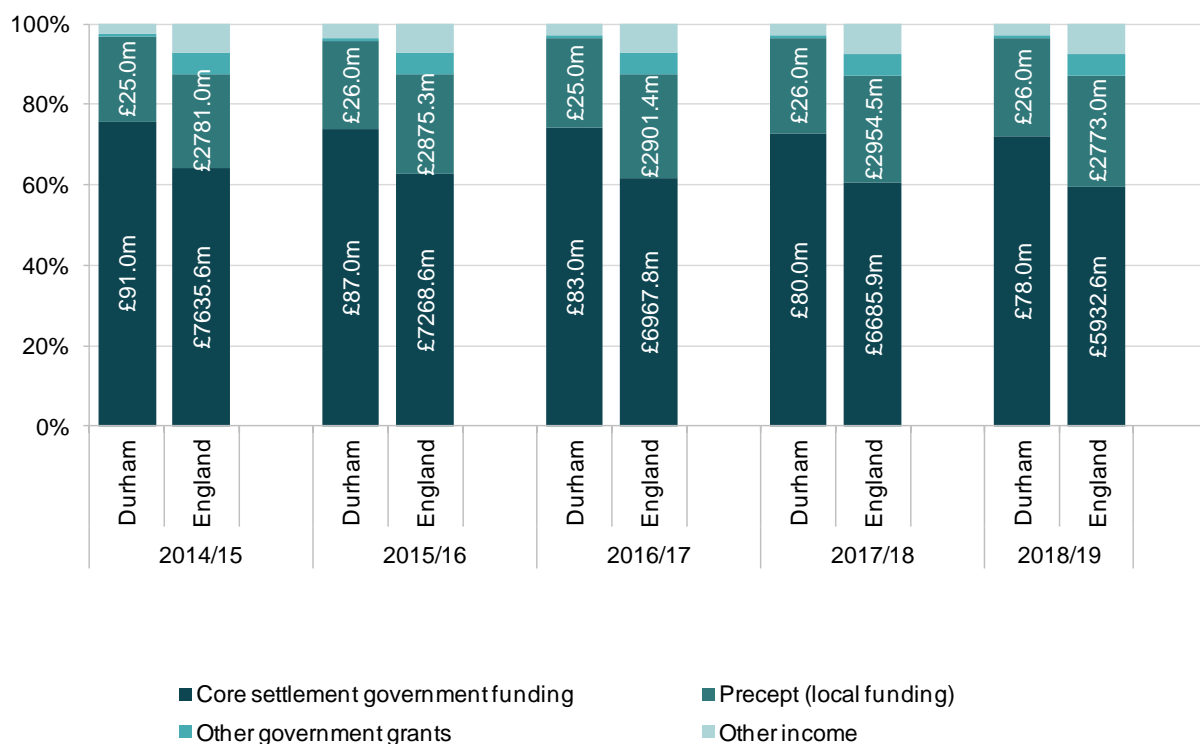
The constabulary has planned a balanced budget of £116m for 2015/16, which includes a cut in spending of £4m. It is forecast that the reduction will be split between £3m from the pay budget (75 percent) and £1m from the non-pay budget (25 percent) in this year's savings. The constabulary plans to meet its reduction in spending without using reserves as a bridge. Since the 2010 baseline, at the start of the spending review, this represents savings of 18 percent.

Looking further ahead, the constabulary has made prudent assumptions about main grant, inflation, staff costs and precept when calculating its financial challenges for 2015/16 and beyond.

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

Figure 6 demonstrates the amount of funding that the constabulary received from central government grant, as precept from local councils through council tax, and from other sources, such as Home Office special grants. The 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 and 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. These 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 Durham 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**

The constabulary is effectively maximising opportunities for funding and grants from government. For example, it has secured funding for three separate initiatives from the Police Innovation Fund. Details of the 'checkpoint' and 'tri-responder' initiatives have already been provided in this report. The third is a domestic violence perpetrator programme which is aimed at improving the safety of victims and reducing the level of threat, harm and risk they face.

Within the last 18 months the constabulary has also increased its income generation through a number of initiatives. These include providing training to other forces and organisations, for example maintaining vehicles for the NHS and providing the force's IT system Red Sigma to other forces. Initiatives such as these are contributing to the financial health of the constabulary, increasing joint working and improving demand management. The constabulary has no significant risks associated with withdrawal of partnership funding as it currently receives very little funding of this type.

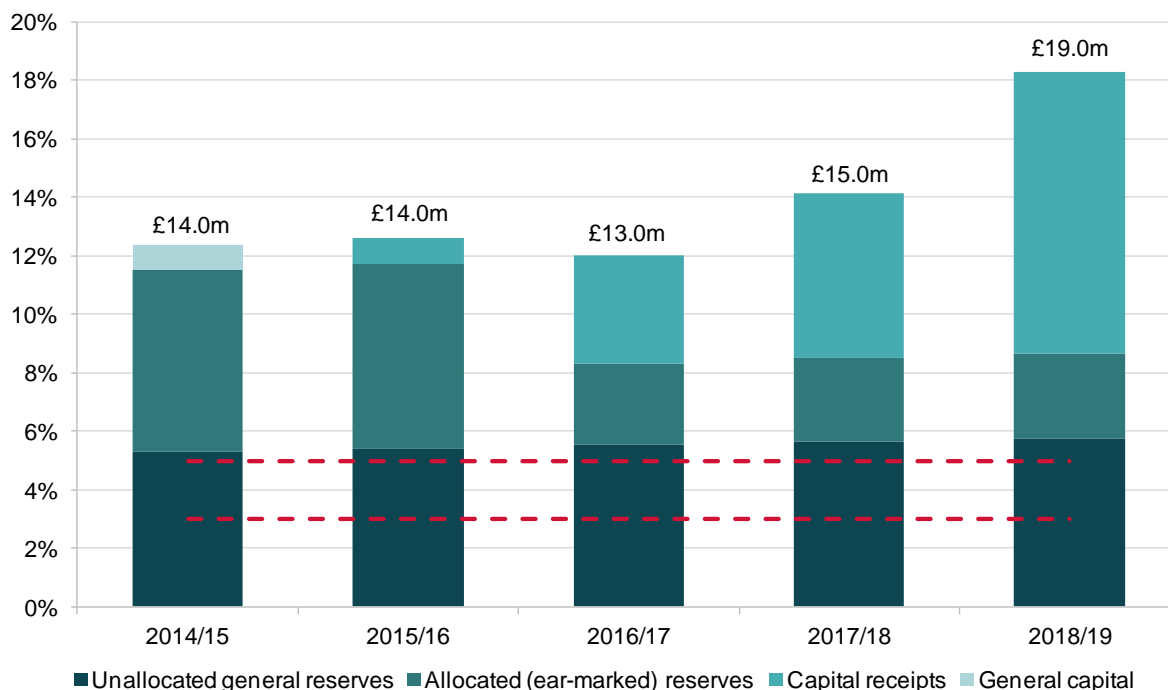
## **How well does the force control expenditure?**

The constabulary's level of reserves and how these are forecast to change over time is shown in figure 7 on the following page. The constabulary reported that its total reserves were £14m 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 3 please see Annex B**

The constabulary’s chief officer team has an overview of and actively manages the saving plans and budgets. This is mainly done through the efficient use of the resources board and the continuous improvement board, both chaired by the assistant chief officer for finance and human resources. These boards report to the force leadership group which meets monthly and is chaired by the chief constable and attended by the ACO for finance and human resources, and the police and crime commissioner. These arrangements ensure cost reduction and continuous service improvement are well embedded within the constabulary.

The constabulary uses the annual HMIC Value for money profiles to consider relative cost effectiveness by using them to create a report for the police and crime commissioner which identifies overall performance and outliers in terms of cost. Savings plans are supported by detailed, specific and achievable business cases.

The constabulary has achieved change and made savings while focusing on doing more problem solving, increased efficiency through good use of new IT and improved management of staff performance, sickness and absences.

A comprehensive assessment of organisational threats and risks which integrates workforce changes and savings plans is in place and is reviewed regularly.

The constabulary acknowledges and understands the risks associated with the plans for future years including the impact on demand for the constabulary caused by reductions in funding to other public sector organisations.

The constabulary has a clear and prudent reserves policy and is not reliant on reserves to achieve its saving plans. Rather, the constabulary aims to use reserves to invest in capital expenditure or make investments which will lead to clear efficiencies.

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

Durham Constabulary shares its ACO for finance and human resources with the police and crime commissioner, an arrangement which is regularly reviewed to ensure appropriate safeguards are in place. Constabulary budgets are derived from the medium-term financial plan which is developed by the ACO and approved by the police and crime commissioner in conjunction with the chief constable. This ensures police resources are closely aligned to achieving the priorities in the police and crime plan.

## **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 constabulary provides timely and relevant financial information to the police and crime commissioner and shared assumptions are used to develop financial planning. On a quarterly basis, detailed reports are provided to the police and crime commissioner providing an opportunity to report any significant variations against financial plans.

The progress of savings plans and other financial issues are discussed at meetings, with estates issues, contracts, income generation and anything that may have an impact on achieving the priorities in the police and crime plan being of particular interest to the constabulary. The police and crime commissioner also attends the force leadership group meetings that monitor and manage performance, change plans and financial issues.

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

There are detailed financial plans in place that provide significant confidence that the constabulary can achieve the savings required through to 2018/19. These are based on prudent assumptions and scenario planning. The constabulary has a strong track record of robust financial management, accurate budgeting and achieving planned savings.

### Summary of findings



**Outstanding**

The constabulary has detailed financial plans in place to achieve the savings required through to 2018/19, and has a strong track record of robust financial management in the past.

The constabulary regularly reviews costs and spending, while investing in areas that lead to reductions in demand, increases in problem solving and improvements in workforce skills.

The constabulary is maximising opportunities for additional funding and income generation which are contributing to its financial health and improving how it manages demand.

The constabulary has strong financial controls and a good understanding of current and future risks and is taking action to mitigate and reduce those risks.

The constabulary's current savings plans prioritise expenditure to focus on the objectives in the police and crime plan and are not reliant on the use of reserves.

The constabulary has the capability, capacity and governance structures to achieve the required savings and organisational change.

This provides confidence that the constabulary will be able to achieve the required savings in the future.

## 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.

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>