

PEEL: Police efficiency 2015

An inspection of Kent Police



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

Overall judgment¹



Good

HMIC found that Kent Police is well prepared to face its future financial challenges. Through robust financial management and a commitment to continuous improvement, it has continued successfully to reduce its spending and is planning effectively for future financial challenges. It understands demand on its services and matches resources to meet demand. In last year's value for money inspection programme, which considered how forces had met the challenge of the first spending review period, Kent was judged to be good.

Summary

HMIC judges Kent Police to be good. The force is well prepared to face its future financial challenges. Through robust financial management and a commitment to continuous improvement, it has successfully reduced its spending by £49.4m over the last spending review period, balanced its budgets and maintained its services.

Kent has an extensive understanding of demand. It is using this understanding to ensure that it matches resources to demand. There has been some notable work done to review how the force responds to demand and ensures that resources can be consistently targeted at areas of greatest risk to communities.




Kent has developed an operating model² known as the Kent Policing Model. This places resources into frontline community policing and is well aligned with current financial and organisational requirements. It enables resources to be directed at meeting the main priorities in the police and crime plan and to respond well to the demands made by the public. Importantly, it is capable of continuing to operate effectively as resources reduce in the short and medium term.

In the long term as the workforce continues to reduce in size, the model will be reliant on the success of the force's approach to reducing and managing demand in order to continue to police effectively with fewer officers and staff.

¹Outstanding, Good, Requires improvement or Inadequate – see Annex A.

²Operating model - the organisational structure of a police force and the processes it operates in order to achieve its objectives

The force has a good understanding of, and is planning for, further financial challenges.

<p>How well does the force use its resources to meet its demand?</p>	<p>How sustainable and affordable is the workforce model?</p>	<p>How sustainable is the force's financial position for the short and long term?</p>
<p> Good</p>	<p> Good</p>	<p> Outstanding</p>
<p>Kent Police has an extensive understanding of current, changing and future levels of demand for its services. It is using this understanding to ensure that it matches resources to demand. Additionally, it also uses its information to manage, redirect and reduce unnecessary demand.</p> <p>Performance is managed well with a keen commitment to improving both efficiency and service quality.</p> <p>In the future, Kent wants to use its website as the primary way it engages with the public. It is working to improve the accessibility and interactivity of its site to achieve this.</p> <p>Kent Police has recognised that its IT infrastructure requires significant</p>	<p>Kent Police has developed a workforce model that focuses frontline resources into community policing and is well aligned to current financial and organisational requirements.</p> <p>It enables resources to be directed at meeting the main priorities in the police and crime plan and responds well to the demands made by the public.</p> <p>HMIC found that the force has a good understanding of the skills and competencies in the workforce. However in some areas of new and emerging crime types, such as high-tech internet crime it has been slow to build up the necessary skills and capabilities. However, the force contributes fully to the South East Regional Organised Crime Unit</p>	<p>Kent Police is well-placed to face its future financial challenges. Through robust financial management and a commitment to continuous improvement, it has successfully reduced its spending by £49.4m over the last spending review period, balanced its budgets and maintained its services.</p> <p>There are rigorous financial controls in place and the force is effective at managing and lessening financial risks. It works well with the office of the police and crime commissioner (OPCC) and financial plans reflect the objectives set out in the police and crime plan.</p> <p>Kent has an excellent understanding of, and is planning for, further financial challenges. It is estimating that it needs to</p>

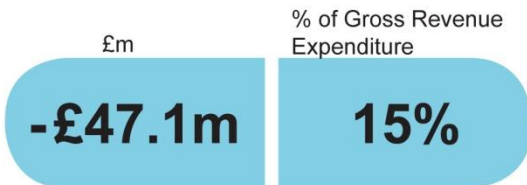
<p>investment to improve efficiency and effectiveness. The force has embarked on an ambitious programme of IT transformation in collaboration with Essex Police although this is still in the early stages of development.</p>	<p>(SEROCU), cyber-crime unit and officers from Serious Economic Crime Unit have undertaken nationally-approved training.</p> <p>In the long term as the workforce continues to reduce in size, the model will be reliant on the success of the force's ambitious approach to reducing and managing demand in order that it can continue to police effectively with fewer officers and staff.</p>	<p>cut its spending by a further £47m between 2015/16 and end of 2017/18. While it has plans in place that can achieve this, success will rely on the force's ability to transform the way it works, in particular how it manages demand and uses a significant investment in IT to enable it to work more efficiently.</p>
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Force in numbers



Financial position

Forecasted change in expenditure 2015/16 to 2018/19

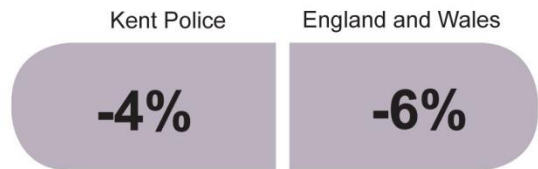


It is important to note that some forces only provided figures for savings they had formally signed off at that point, while others provided estimates for the whole period. As a result, the savings figure above might not reflect the full saving which the force might have to make. 2014/15 GRE has been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

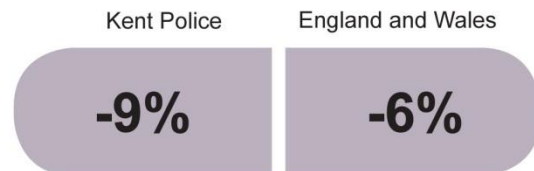


Providing policing

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)

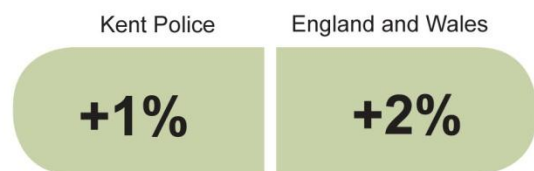


Workforce cost per head of population compared to England & Wales (2014/15)

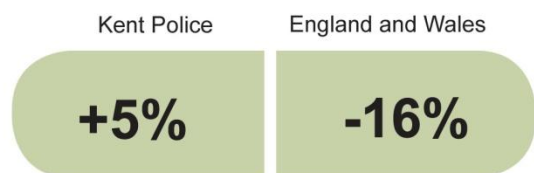


Key statistics

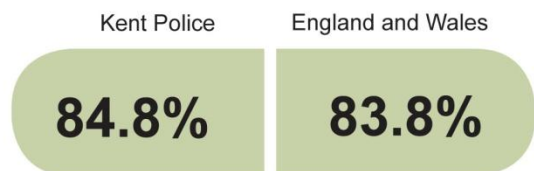
Changes in recorded crime (excluding fraud) 12 months to 31 March 2014 to 12 months to 31 March 2015



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: Kent, confidence interval +/- 1.3 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 while 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 Kent Police.

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

HMIC examined how the force understands the demands 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?

Kent Police has a clear understanding of demand. Using its own research and development staff, which include analysts, social researchers and statisticians, it has gained a good understanding of current, changing, and future levels of demand for its services.

The force has a good understanding of changes in demand over the period of the spending review, and is able to identify fluctuations and the reasons behind them. For example, the analysis has shown clearly that incidents of domestic abuse, sexual offences, cyber-crime, and instances of gang-related crime are all currently increasing. The force's research and development capability enables it to have confidence in the quality of its demand data as well as ensuring that its assessments are up-to-date and valid.

Kent also reflects the views of local community through the Kent Crime and Victimization Survey. In August 2014, the force introduced a new way to measure demand based on six themes; community; victim; offenders; threat, risk and harm (vulnerability); a supported work force; and standards and integrity. The breadth and level of information available is significant. It includes both qualitative and quantitative data, and is well presented and is easy to understand. This has enabled the force to properly understand and manage the demand for its services.

This extensive understanding of demand is further strengthened by a good understanding of service demands made on the other organisations that the force works with and what is happening nationally. All of this means Kent is in a better position to reduce and manage demand and develop an effective operating model for policing in Kent.

How well does the force match resources to demand?

The force effectively matches resources so it responds well to its assessment of demand. It provides a clear, logical and justifiable explanation of why it has invested in particular service areas, and where these link to the police and crime plan. Kent regularly looks at its service demands and is able to re-allocate its resources to meet new or changing demand, such as dealing with new crime trends or other operational needs.

The way the force provides its services, known as the Kent Policing Model, was introduced in 2011. The county is divided into three districts and then into neighbourhoods. Neighbourhood and response officers have been brought together into single local policing teams in each district. Community safety teams provide dedicated community policing for the districts and have recently been strengthened with additional police officers. This enhancement of community resources links to the police and crime plan commitment to reducing service demand by tackling long-term problems that can result in criminal and anti-social behaviour.

Kent makes good use of technology to ensure that resources are efficiently matched to demand. It uses a systematic resource allocation model to decide how best to allocate resources around the county and provide an effective service. This allocation model is supported by a predictive calendar, which identifies anticipated peaks in demand and expected spikes in crime types at certain times of the year based on previous data. The force also uses a predictive crime analysis tool known as Predpol. This allows Kent to map more accurately known crime hotspots where officers should patrol in order to prevent and reduce crime.

In terms of responding to demand, Kent has moved from its previous position of attending all reported crime to one where half of reported crimes that come in from the public are now diverted to a telephone investigation unit and resolved without the need for an officer to attend. Those cases that are dealt with in this manner are assessed to ensure that a telephone investigation is appropriate, deploying an officer if necessary. Some staff within this telephone investigation unit felt that capacity within the unit had not expanded sufficiently to match the increased workload. The force is reviewing the resource levels within the unit and exploring ways to make it more efficient by, for example, removing unnecessary duties.

The response to incidents and calls for service in Kent is borderless. This means that the nearest and most appropriate police resource is sent to attend an incident regardless of internal force organisational structures. However, deployments across boundaries are rare as the borderless policy exists for those rare occasions where a patrol in another division is much closer in an emergency.

The force has recently introduced a new way of assessing risks linked to the calls it receives in its control room. This way of working is known as THRIVE (threat, harm, risk, investigation, vulnerability and opportunities for engagement) and allows a judgment to be made of the relative risk posed by each call for service, placing the individual needs of the victim at the centre of that decision. This process was only just being established within the control room at the time of inspection. The chief constable has recognised the pressure this new way of working places on staff and has made it clear that individuals who make difficult decisions using THRIVE will be supported by the force. There is a risk to the public in this approach if staff make an error in the risk assessment of the incident or if THRIVE is applied in an inconsistent way, resulting in the public not receiving the service they require. Once THRIVE is fully used and understood, Kent anticipates it will reduce overall demand on frontline staff.

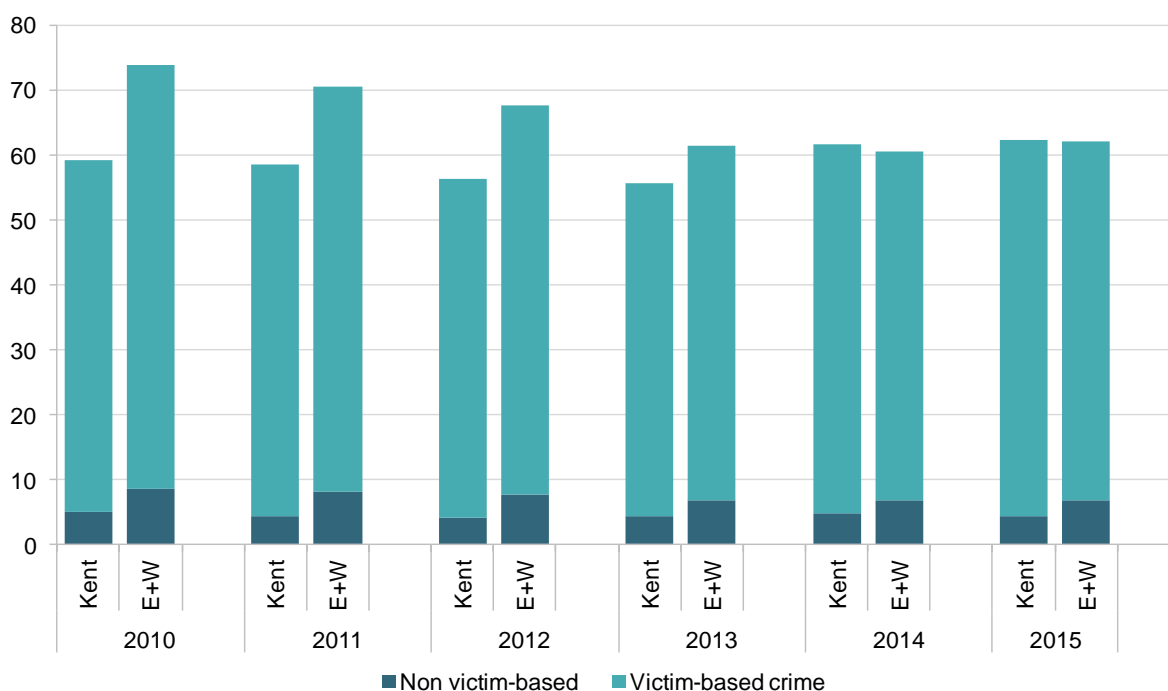
How well are the force's services meeting the demand from the public?

To assess the force's response to public demand, HMIC considered crime figures and rates in Kent; 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 force 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 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, Kent had a victim-based crime rate of 58.2 and a non-victim-based crime rate of 4.3 per 1,000 population. This represents an increase (7 percent) in the victim-based crime rate and a decrease (14 per cent) in the non victim-based crime rate since the start of the spending review in 2010. During the same 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 in Kent 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 Kent, 84.8 percent were satisfied with their whole experience with the police in the 12 months to 31 March 2015.³ This is similar to the national victim satisfaction rate of 83.8 percent over the same time period.⁴ There has been no significant change in victim satisfaction between the 12 months to 31 March 2011 and the 12 months to 31 March 2015 in Kent.

The force recognises the value the public places on neighbourhood policing and has continued to invest in these services while reducing costs elsewhere. Community safety units act as the link between a range of local organisations the force works with and they co-ordinate activity to address long-term problems. For example, police supervisors are directing the day-to-day activities of the county council wardens. These units are becoming increasingly proactive in managing local issues and reducing and managing demand.

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

³ Kent, confidence interval +/- 1.3 percent.

⁴ England and Wales, confidence interval +/- 0.2 percent.

Figure 2: Methods of public engagement used by Kent Police in the 12 months to 31 December 2014

Are the following communication channels being used by the Force?	
Facebook	Yes
Twitter	Yes
Email	Yes
Text message	Yes
Web forum	Yes
Instagram	Yes
Local phone (not 999 or 101)	Yes

Source: HMIC Efficiency data collection

Kent is seeking to improve the ways in which people can access police services and information. The force is planning a redesign of its website to make it more accessible and interactive. The new website aims to give the public direct access to services and the ability to view the progress of their case through programmes such as 'track my crime'. It will also be available in the top 12 languages used in Kent so that emerging communities are able to access police information more easily. In the future, the force wants the improved and more accessible website to become the primary way the public makes contact with it for non emergencies.

The force also wants to review the use that the public makes of front counters at police stations. However, this review has not yet formally started and there has only been limited engagement with either the public or the workforce to explore these and other changes. Good communication will be vital to the successful implementation of new approaches.

How well is the force managing demand?

Kent's use of information to manage, redirect and reduce unnecessary demand is mature and effective. The force is working well with other organisations to develop better working together to provide a more effective and efficient response to local issues. For example, the Margate taskforce hub is a group of different organisations that are working together to understand and remedy the underlying causes of criminal and anti-social behaviour. The aim is to reduce the demand for services by addressing the causes. In other districts the force has enhanced the community safety units. They are primarily in buildings used by partner organisations which enables the benefits of joint partnership working.

Kent has undertaken some work with other organisations to manage the level of demand for services better from people with mental health issues. The force piloted a project with a police officer working with a mental health practitioner to provide a better assessment of the service needed. Despite the joint mental health scheme being discontinued due to funding difficulties the force provides a range of support in this area, including agreed place of safety provision for children and out-of-hours services for a range of mental health issues.

Kent has set up a 'demand board', which has developed proposals for a set of principles and procedural changes to underpin the force's approach to demand management. In developing this, the force assessed how calls had been assessed by control room staff and how they have responded to these calls. This is providing a rich set of data which is helping the force understand the areas where demand can be potentially better managed. These changes, when fully implemented, are expected to increase efficiency by reducing overall attendance levels but still ensuring that resources are targeted at risk and protecting vulnerable victims through the application of the THRIVE model.

This work has also identified a number of areas where the police are being used to respond to requests for service that should more appropriately be dealt with by other organisations, such as health or social services. Control room staff report that they are supported in challenging calls where it is clear that it is not the police's responsibility to respond.

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

Kent Police has rigorous and robust systems in place to monitor and improve its services. HMIC found that it has a comprehensive approach to managing day-to-day performance and is also using a variety of approaches to improve its processes and services continuously. The performance framework is one part of a cycle of continuous improvement. The force uses a combination of qualitative and quantitative measures, audit and inspection activity and feedback to understand trends and predict future activity.

Performance information is considered monthly at the force's high level performance meeting, and more frequently within local teams. The process is rigorous and data provided is detailed, accurate and relevant and there are clear lines of authority and accountability in place within the force.

The force uses a review technique known as 'lean' to look in detail at the process of providing a service from start to finish. This is enabling the force to understand areas where there is waste and inefficiency which can be removed while still providing a high quality service. This approach is actively being used by the force to provide an informed assessment of whether its services provide value for money.

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

Kent Police has recognised that its IT infrastructure requires significant investment to improve efficiency and effectiveness. The force has embarked on an ambitious programme of IT transformation in collaboration with Essex Police although this is still in the early stages of development.

Kent has produced an IT transformation programme, and while the force has deployed mobile data terminals (MDTs) in cars since its pilot phase in 2004, the current plans enhance this capability through the issue of smartphones and tablets.

The force's collaboration with Essex Police is extensive, mature and expanding. The force recognises the value of and is exploring opportunities for collaborative working both with other forces and other organisations. Collaboration is seen as providing cost savings and, importantly, added resilience to the force. Significant savings are planned from shared services collaboration between Kent and Essex police, these equate to £23m across both forces (£6m non-pay, £17m pay).

Summary of findings



Good

The force has an extensive understanding of current, changing and future levels of demand for its services. It is using this understanding to ensure that it matches resources to demand. Additionally, it also uses its information to manage, redirect and reduce unnecessary demand.

Performance is managed well with a keen commitment to improving both efficiency and service quality.

In the future, Kent wants to use its website as the primary way it engages with the public. It is working to improve the accessibility and interactivity of its site to achieve this.

Kent Police has recognised that its IT infrastructure requires significant investment to improve efficiency and effectiveness. The force has embarked on an ambitious programme of IT transformation in collaboration with Essex Police although this is still in the early stages of development.

How sustainable and affordable is the workforce model?

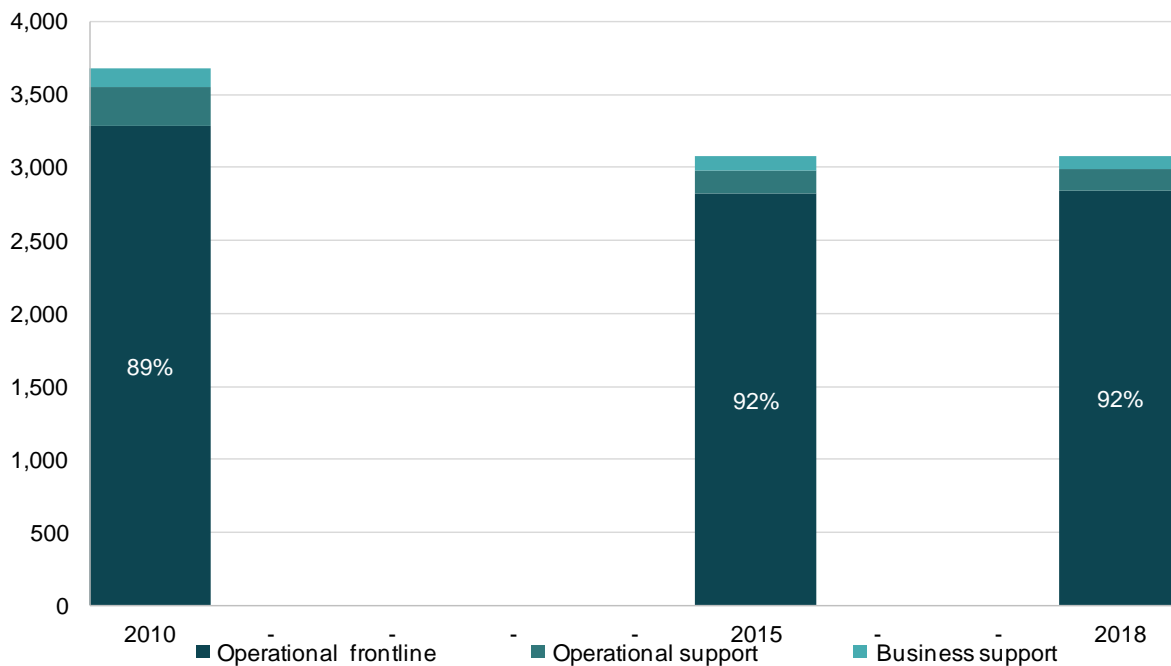
HMIC examined how Kent Police has structured its workforce (i.e. its mix of police officers, staff and PCSOs, and the proportion of all these groups working in frontline positions), and assessed whether this was affordable and sustainable as the force responds to its financial challenge. We also considered what the force 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?

Kent Police forecasted a total savings requirement over the first four years of the spending review as part of the value for money inspection programme (2011/12 to 2014/15) of £49.4m, the equivalent of 15 percent of the 2010/11 gross revenue expenditure for the force. Savings were made in both the pay and non-pay budgets. Since 2010, Kent Police has seen a reduction of 599 police officers, 618 staff and 35 PCSOs full time equivalents (FTE).

In Kent, there have been falls in the total number of police officers FTE over the period 2010 to 2015, as shown in figure 3. During this period the proportion in frontline roles has increased from 89 percent in 2010 to 92 percent in 2015. The force expects to maintain 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 Kent Police, 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 operating model, introduced in 2011, focuses frontline resources into community policing and is well aligned to current financial and organisational requirements. It enables resources to be directed at delivering the main priorities in the police and crime plan and responds well to the demands made by the public.

As police officer numbers have reduced to match budget cuts over this spending review period, the force has sought to maintain the proportion of staff in frontline roles and has reduced wherever possible staff in back office functions.

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 Kent Police 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	3,787	-16%	-12%	3,188	-4%	-6%	3,074
Police Staff	2,673	-23%	-19%	2,055	-13%	-6%	1,780
PCSOs	387	-9%	-27%	352	-39%	-11%	216
Workforce total	6,847	-18%	-15%	5,595	-9%	-6%	5,070

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

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

HMIC found that the force is tailoring its future workforce plans to meet longer-term changes in demand, organisational and financial requirements in a lasting way, including through recruitment and more efficient use of staff.

Kent intends to retain a high percentage of officers and staff in frontline roles. This means that it has to have a thorough understanding of the experience and capability of its workforce, and it is able to match these against current demand. This is not always possible as new skills are needed for emerging and developing areas. For example, recently the force in collaboration with Essex Police has recruited two posts in the cyber-crime unit from the open market at some cost, as the expertise required did not exist within either force.

Summary of findings



Good

Kent Police has developed a workforce model that focuses frontline resources into community policing and is well aligned to current financial and organisational requirements.

It enables resources to be directed at meeting the main priorities in the police and crime plan and responds well to the demands made by the public.

HMIC found that the force has a good understanding of the skills and competencies in the workforce. However in some areas of new and emerging crime types, such as high-tech internet crime, it has been slow to build up the necessary skills and capabilities. However the force fully contributes to the South East Regional Organised Crime Unit (SEROCU), cyber-crime unit and officers from Serious Economic Crime Unit have undertaken nationally-approved training.

In the long term as the workforce continues to reduce in size, the model will be reliant on the success of Kent's ambitious approach to reducing and managing demand in order that it can continue to police effectively with fewer officers and staff.

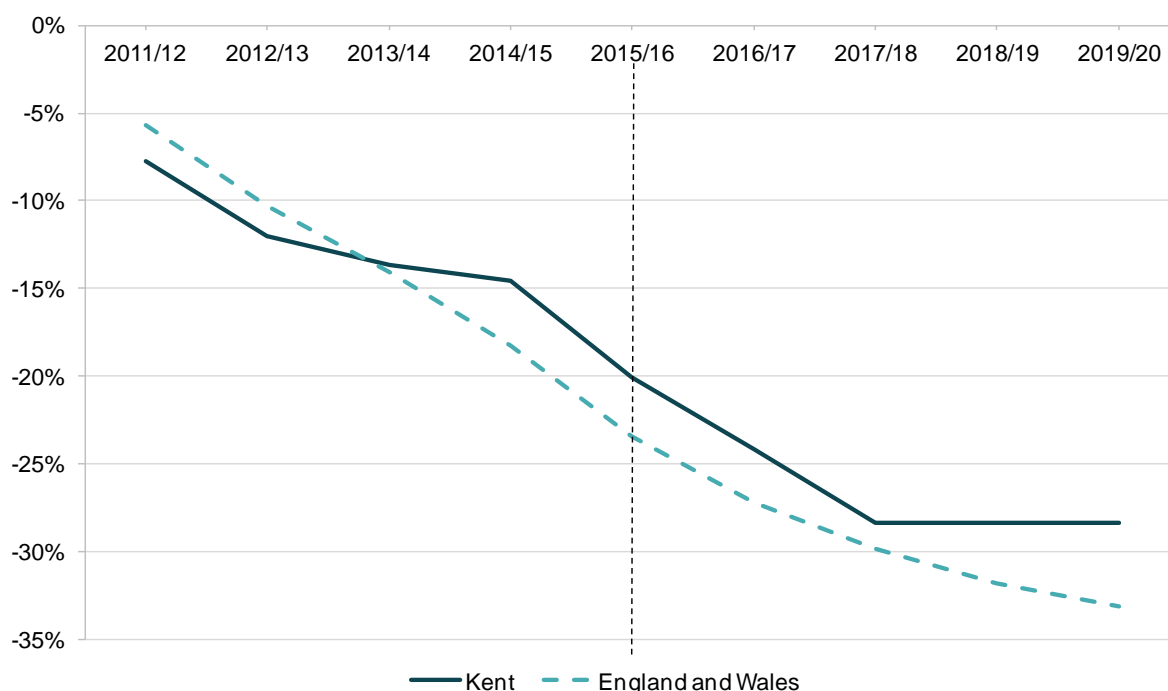
How sustainable is the force's financial position for the short and long term?

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?

Kent Police forecasted savings of £49.4m 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 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 forecast planned savings for 2015/16 to 2017/18, against the 2010 gross revenue expenditure baseline for Kent Police 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 force has a good track record of managing the required cuts in spending. The force has not used any reserves to balance the budget in the spending review period. The force has well established collaboration⁵ arrangements with Essex Police, which is enabling it to make savings.

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

Kent Police has planned a balanced budget of £301.5m for 2015/16, which includes a cut in spending of £18.9m. It is forecast that the reduction will be split between £14.1m from the pay budget (75 percent) and £4.8m (25 percent) from the non-pay budget in this year's savings. The force plans to meet the reduction in spend without using reserves as a bridge. Since the 2010 baseline at the start of the spending review, this represents savings of 20 percent.

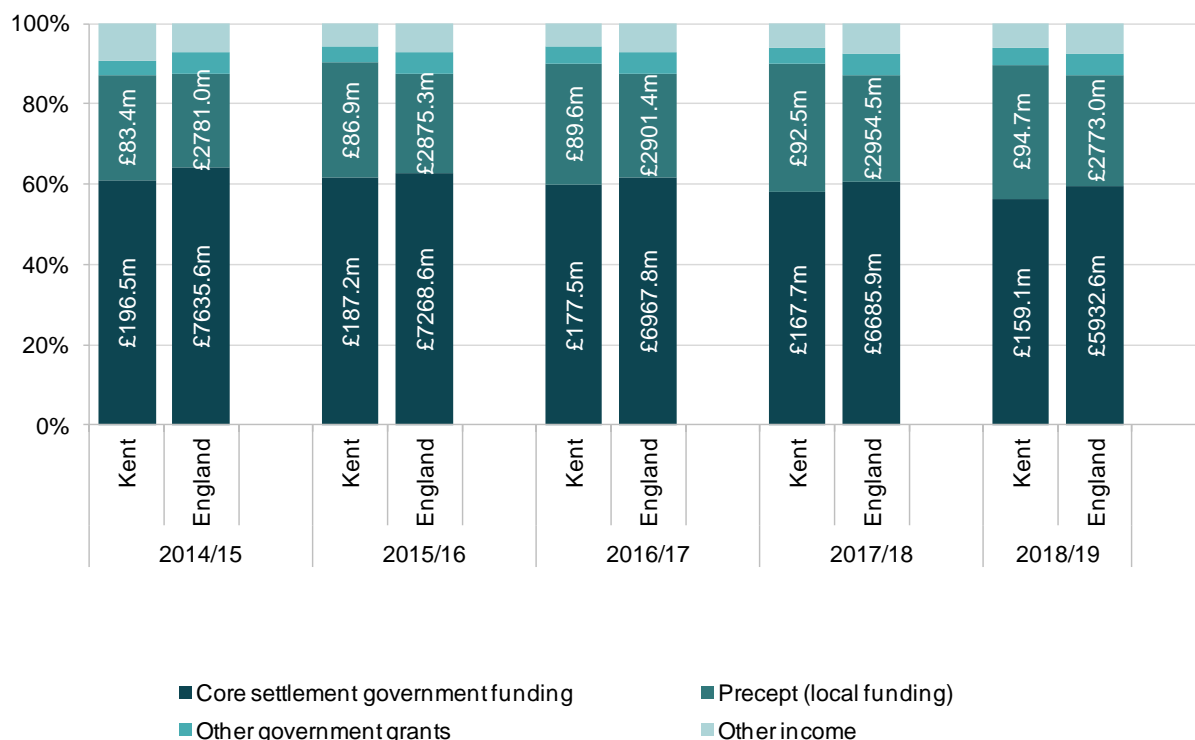
⁵ HMIC defines collaboration as “all activity where two or more parties work together to achieve a common goal, which includes inter-force activity and collaboration with the public and private sectors, including outsourcing and business partnering”.

The force reported that its savings were found mainly from £5m savings from vacancy management (the gap between staff leaving and successors being recruited), £2.5m from new staff costing less than staff that have left, £2m from removing posts completely, £3m from non-pay budget; approximately £350,000 from more fuel efficient cars; £300,000 from reducing building maintenance; and £300,000 from reducing rateable values on premises owned by the force.

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. Kent Police is expecting the proportion of their funding that comes from core settlement government funding to decline over the coming years, while anticipating the proportion of their 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 Kent Police 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

Kent Police continues to demonstrate that it is ambitious in its approach to working with other organisations to reduce costs across all functions, and that it is effectively exploiting opportunities for income generation and funding. The force's effective collaboration with Essex Police is mature and expanding, and the force is ambitious to expand the extent of its collaboration with other partners. The IT transformation programme represents a significant investment for the force. The force in conjunction with a consortium of other forces has made good use of external funding through the Police Innovation Fund and has secured grant funding to develop customer contact and data analytics. Other successful bids to the innovation fund include a project to improve the force response to online child sex exploitation and a project to trial a seven-day virtual remand court.

The force has exploited collaborative working opportunities, and evaluates fully the results and efficiency savings from this joint working. Essex Police is Kent's preferred partner; this collaboration delivers financial benefits as well as increased capacity and resilience. Examples of services that are delivered jointly include: intelligence; major crime; business support; serious and organised crime; covert support; forensics; and IT.

The force is also exploring opportunities to work collaboratively with other public sector organisations. For example, Kent Fire and Rescue service has recently moved its control room⁶ function and staff into the Kent Police control room thereby sharing costs and generating savings.

The force is also considering options to make better use of police buildings to save costs and also to generate income from the sale of surplus land and buildings.

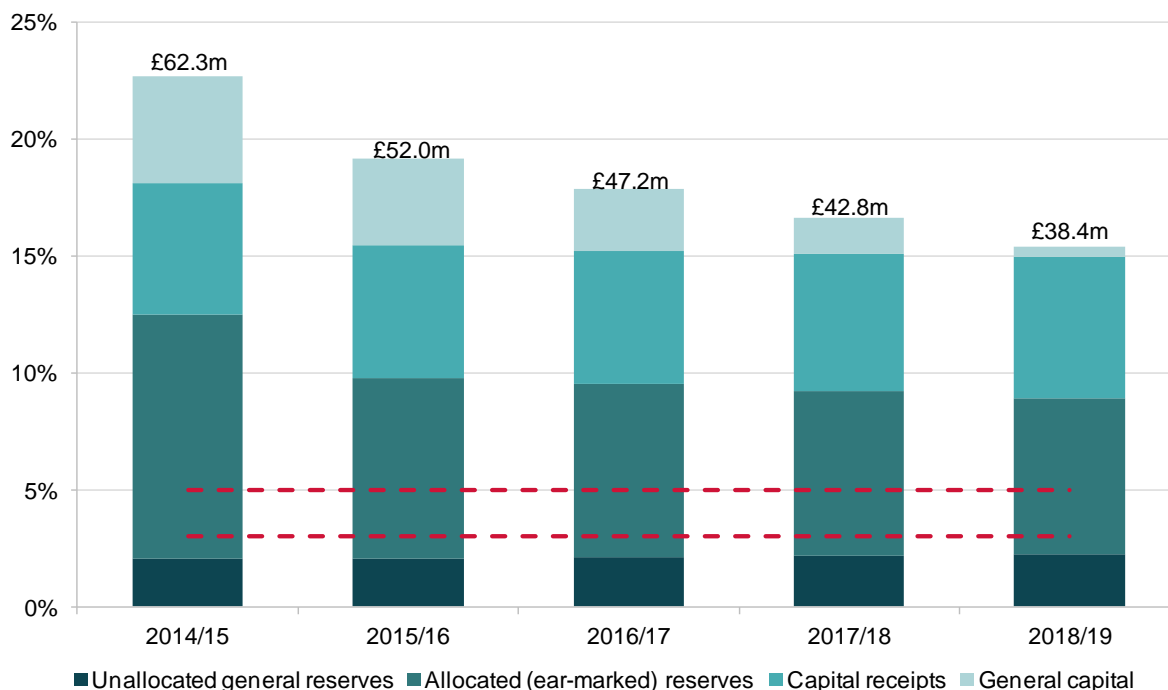
How well does the force control expenditure?

The force's level of reserves and how these are forecast to change is shown in figure 7. Kent Police reported that its total reserves were £62.3m 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.

⁶ Facility in which call-handlers answer telephone calls from the public, determine the circumstances of the incident, decide what needs to be done, and initiate the initial response.

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

Kent Police has rigorous financial controls in place and is highly effective at monitoring expenditure. The senior leadership team has good oversight of financial management in the force. The post of director of support services is a joint post with Essex Police, and is part of the chief officer team with responsibility for finance, human resources, estates, transport, IT department, and procurement. The force is effective at managing short-term and unplanned financial pressures and is regularly looking for, and taking swift action to manage risks. There is a constructive working relationship between the finance, human resources and corporate development departments.

There is a robust and systematic approach to monitoring and managing the financial risks associated with the force's change programme. HMIC found good evidence of strong oversight and prompt action to lessen risk. For example, potential delays were identified in an IT project, which, if not completed by April 2015, would have incurred additional costs from the supplier. An action plan overseen by a senior IT manager was implemented with progress reviewed at the monthly IT services board. This action ensured that the programme was delivered on time without incurring additional costs.

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

The budget allocation and savings plans have been designed to reflect the priorities in the police and crime plan, and the joint vision held by the police and crime commissioner (PCC) and chief constable of Kent being a safe place for people to live, work and visit.

The PCC's refreshed police and crime plan retains and re-emphasises the shared commitment with the chief constable on services. This is to make sure that visible community policing remains the foundation of local policing and that victims and witnesses will always be at the heart of everything the force does. The plan also clearly identifies that the level of savings that the force is required to make will have some impact on frontline policing.

The effective working relationship between the force and the office of the police and crime commissioner (OPCC) and the shared understanding of the financial position, into the long-term, gives the force a solid foundation for future financial planning and service provision.

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?

Kent Police has an effective working relationship with the OPCC and a shared understanding of the financial position, including current expenditure monitoring and longer-term options for further cost reduction. The medium-term financial plan is developed jointly between the chief financial officers for the chief constable and the PCC. The assumptions in the medium-term financial plan are jointly agreed and compared nationally with other forces and locally with councils. Regular monitoring reports are provided to the force and the OPCC on both the budget and the change programme.

There are numerous joint meetings between Kent Police and the OPCC to review and examine the financial plans and information, and change management issues. The OPCC is based within the Kent Police HQ grounds and this closeness has helped build relationships and ease communication.

The force very clearly understands the lines of responsibility and accountability and evidence for this comes from sharing relevant and timely information on budgeting, finances and change management.

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

The force understands, and is planning for, likely financial challenges beyond the current spending review. It is anticipating that it will need to cut its spending by a further £47.1m by 2017/18. Figure 5 shows that this represents a 28 percent reduction in spending since 2010/11. The force expects to make the majority of these savings (80 percent to 2017/18) through reductions in the pay budget. This is higher than the England and Wales average.

Kent Police understands the likely financial challenges beyond the current spending review. This understanding is based on robust, realistic and prudent assumptions, which capture the majority of wider external issues as well as detailed internal ones. As a result the force has a sound financial plan to meet future challenges including funding risks such as the loss of partnership funding and changes to the national funding formula. It has developed robust contingencies to manage any risks.

The force and the OPCC commissioned an external consultant to help review the options for this scale of future spending reductions. This work has enabled the force to build on its existing change programme and develop costed plans that are able to realise all of the savings by 2018/19. This will primarily be through savings in pay costs and the force recognises that achieving this will be a significant challenge. The success will rely on achieving major change, extending collaboration still further and in particular on using IT to support the transformation in the way the police provide services.

Summary of findings



Outstanding

Kent Police is well-placed to face its future financial challenges. Through robust financial management and a commitment to continuous improvement, it has successfully reduced its spending by £49.4m over the last spending review period, balanced its budgets and maintained its services.

There are rigorous financial controls in place and the force is effective at managing and lessening financial risks. It works well with the office of the police and crime commissioner (OPCC) and financial plans reflect the objectives set out in the police and crime plan.

The force has an excellent understanding of, and is planning for, further financial challenges. It is estimating that it needs to cut its spending by a further £47m between 2015/16 and end of 2017/18. While it has plans in place that can achieve this, success will rely on the force's ability to transform the way it works, in particular how it manages demand and uses a significant investment in IT to enable it to work more efficiently.

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 going forwards. 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,⁷ 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.

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