

# PEEL: Police efficiency 2015

An inspection of Northamptonshire Police



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

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



Requires improvement

HMIC found that Northamptonshire Police is partly prepared to face its future financial challenges. In last year's value for money inspection, which considered how forces had met the challenge of the first spending review period, Northamptonshire was judged to be good. It has balanced the budget and has a good track record of achieving savings, although future plans beyond 2016 are still in the early stages of development. The force needs to improve its understanding of the demand on its services and will need significantly to change its structure and processes to meet demand and address this deficit. For this reason it cannot be judged as good.

## Summary

HMIC judges Northamptonshire Police to require improvement. The force has started to analyse demand but does not yet have a clear picture of all the areas of demand that it faces; nor has it sufficiently assessed future demand. The force needs to develop how demand analysis is used to allocate resources and consider how to encourage joint working across Northamptonshire. While the force has started to assess the impact of demand from other public sector organisations, it has yet to work closely with them to jointly reduce this demand.

Due to its lack of understanding of demand, the force cannot be certain that its workforce model is designed efficiently or being developed to meet current and future requirements. The force faces a significant challenge in ensuring it can develop a more efficient and modernised workforce, while also sustaining police officer numbers at 1,220 and creating an establishment of 900 special constables. It will also have to consider carefully the skills of the different elements of its workforce so that in the future the force can ensure it meets the requirements of the public.

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<sup>1</sup> Outstanding, Good, Requires improvement or Inadequate – see last page of report for definitions.

The force has a good track record of delivering savings. The force has achieved the savings it needed with an annual under-spend, which has enabled the force to establish a fund to support the cost of future change. The force also collaborates well with other forces in the region and beyond, as well as with non-police partners such as the fire and rescue service. This collaboration is helping the force to work more efficiently and to provide a more resilient service. However, the force's plans for savings beyond 2016 are still at an early stage of development.

<p><b>How well does the force use its resources to meet its demand?</b></p>	<p><b>How sustainable and affordable is the workforce model?</b></p>	<p><b>How sustainable is the force's financial position for the short and long term?</b></p>
 <p><b>Requires improvement</b></p>	 <p><b>Requires improvement</b></p>	 <p><b>Good</b></p>
<p>The force does not fully understand the demand on its services, it recognises that it needs to improve the way it manages demand to make best use of police time. It is now taking steps to do so.</p> <p>The force has undertaken limited analysis to evaluate whether the allocation of resources to different areas of the force is appropriate. It is encouraging that the force has undertaken activity analysis to inform its approach to resource allocation; however it needs to consider the accuracy of the information collected.</p> <p>While the force has started to assess the impact of demand from other public sector organisations, it has</p>	<p>Northamptonshire Police has reduced its overall workforce by a greater proportion than average for the forces in England and Wales. Its limited understanding of its demand means that it cannot be clear that its current workforce model efficiently matches demand.</p> <p>The force has projected workforce reductions required to balance its budget over the next four years. However, it is unable to assess the impact of the planned reductions as it does not understand future demand. It needs to develop a future workforce model and is trialling new approaches to local</p>	<p>The force has achieved its total savings requirement of £22.9m over the last spending review period and has achieved an annual underspend in doing so.</p> <p>The force collaborates positively and constructively with other forces in the East Midlands and with Cheshire Constabulary. These enable the force to build resilience and work more efficiently, though the business services collaboration has not delivered expected savings this financial year meaning short-term additional savings have had to be identified. Successful bids for funding through the Police Innovation Fund</p>

<p>yet to work closely with them jointly to reduce this demand.</p> <p>The force does not have a detailed understanding of the relationship between service outcomes and costs, making it difficult for the force to be certain that its services are providing value for money. The force needs to consider how it can work better to reduce violent crime offences.</p> <p>The force has demonstrated a keen commitment to working collaboratively. It has strongly established joint operational working with other services across Northamptonshire and with police forces across the East Midlands.</p>	<p>policing. The force faces a challenge in ensuring it can develop a more efficient and modernised workforce, with the right skills across its different elements, while also sustaining police officer numbers at 1,220.</p> <p>The force needs to ensure the rapid increase in special constables is supported by the provision of training and appropriate supervision.</p> <p>The force has started to look at a more sophisticated resource allocation model so that it can plan for a sustainable workforce in the future. However, without a better understanding of current and future demand, the force is not yet able to make fully informed decisions and without this, it cannot evaluate the impact of planned staff cuts on its ability to maintain resilient policing and achieve the police and crime priorities.</p>	<p>have, among other benefits, enabled the force to invest in mobile technology.</p> <p>The force's financial plans have been developed in conjunction with the office of the Northamptonshire police and crime commissioner (OPCC). This has helped ensure that the plans reflect the police and crime commissioner's (PCC's) key objectives and pledges.</p> <p>The force has reduced its police officer numbers by less than the England and Wales average, while increasing its percentage of frontline officers. The force predicts that it will reduce its spending sufficiently to match its budget each year until 2019/20, using only a small amount of its reserves to bridge the gap. However, the plans for how these savings are to be made are at the very early stages of their development and there are a number of areas where there can be as yet limited confidence that they can be achieved.</p>
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## Force in numbers



### Financial position

Forecasted change in expenditure 2015/16 to 2018/19

£m  
**-£19.0m**

% of Gross Revenue Expenditure

**15%**

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

Northamptonshire Police

**-2%**

England and Wales

**-6%**

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

Northamptonshire Police

**-9%**

England and Wales

**-6%**

Proportion of police officers on the operational frontline 31 March 2010

Northamptonshire Police

**88%**

England and Wales

**89%**

Proportion of police officers on the operational frontline 31 March 2015

Northamptonshire Police

**90%**

England and Wales

**92%**

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

Northamptonshire Police

**95%**

England and Wales

**92%**



## Organisation

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

Northamptonshire Police      England and Wales

**£84**

**£115**

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

Northamptonshire Police

England and Wales

**£138**

**£165**



## Key statistics

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

Northamptonshire Police

England and Wales

**+12%**

**+2%**

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

Northamptonshire Police

England and Wales

**-15%**

**-16%**

Victim satisfaction 12 months to 31 March 2015

Northamptonshire Police

England and Wales

**83.5%**

**83.8%**

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

Northamptonshire Police

England and Wales

**No change**

**No change**

**Victim satisfaction:** Northamptonshire, confidence interval +/- 2.3 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 Northamptonshire Police.

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

HMIC examined how the force 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?

Northamptonshire Police does not fully understand the demands on its services, which limits how effectively it can ensure that resources are maximised. However, the force has recognised the importance of improving its analysis and understanding of demand.

The force carries out an annual strategic assessment which identifies the threat, harm and risks faced by communities across the force area. This assessment takes into account local, national and regional threats and risks and is informed by data and information from partners across Northamptonshire. Using this assessment, the force is able to identify what its priorities are, highlight emerging crime trends and prioritise the allocation of resources. For example, in 2015/16, the force has added “understand and reduce cyber-crime” as a new priority and has established a cyber-crime team. It has also identified that child sexual exploitation is a growing concern and has reinvested some savings from collaborations into strengthening the team responsible for protecting vulnerable people.

The force has improved its understanding and management of the demand resulting from calls to the force control room. In 2013 the force began to make greater use of police officers in call handling. These officers were used to assess the risk of calls and decide if a police attendance is needed or if the call might be satisfactorily resolved at the first point of contact. This led to the establishment of a demand management unit, staffed by twenty police officers, based in the control room.

However, the force has not yet engaged with partners, such as local authorities and health services, to fully evaluate current and future demand. Doing so would help the force to identify different approaches to areas where time is being spent dealing with demand which should more properly be dealt with by other agencies, or where police time is wasted on activities where partners could add more value and increase efficiency. Without this information, the force cannot claim to fully understand the totality of its demand from all sources.

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

The force has recognised that it needs to improve its strategic management of demand. Local policing is organised into two operational command units, one of which serves Northampton borough and the other the rest of the county. The force allocates officers and staff to one of the two units, based roughly on population and volume of crimes in each area; but has only partially analysed the effectiveness of this resource allocation. We found a widely-held perception that joint working across the area boundaries is not encouraged, and that resources are prioritised in Northampton town at the expense of the county area.

Recently, the force has comprehensively analysed the day-to-day work of frontline staff in the operational command units. The force plans to extend this analysis to include all frontline staff in specialist units. Staff were asked to make a detailed record of all of their activities over a given period of time. The force hopes to understand better where most time is currently being spent and to identify areas where police time could be better used. However, we found that staff who had participated in the analysis were unclear as to what they had been required to record. Staff were also suspicious that the findings would be used to identify cuts, which might have influenced the information they provided and reduce the accuracy of the analysis.

The force intends to use this activity analysis to refine its resource allocation. The force has invested in new tools and approaches to support future improvements, such as a new resource allocation model and computer software to help profile the resources the force needs to respond to the calls it receives from the public. Understanding demand better will help the force to place staff with the right skills in the right locations, in order to serve the public in the most effective way. The force has already identified that a large number of the requests it currently receives for police attendance could more properly be dealt with by another agency such as the local council. It has identified a significant number of incidents which either do not need an immediate police attendance, or which could be dealt with over the telephone without any police attendance. The force's demand management unit (DMU) now deals directly with non-emergency calls from the public and other agencies to resolve as many as possible at this first point of contact without needing to send an officer. The DMU has only been established recently, but the force estimates that it will be able to resolve around 700 calls each month that would previously have been attended by an officer. This should mean that call handling in the control room is more efficient and officers on patrol have more time to deal with the highest priority calls.

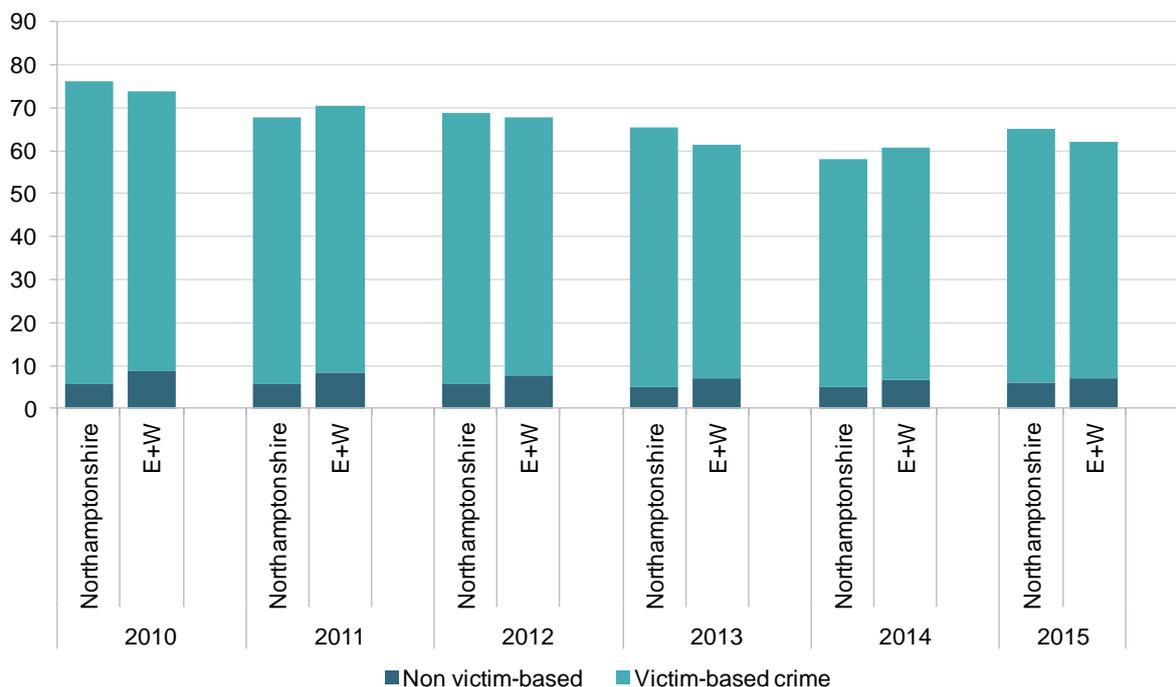
## **How well are the force's services meeting the demand from the public?**

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

Although police recorded crime is by no means a complete measure of the totality of demand a force faces, it provides 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 police recorded crime in the year ending 31 March 2015. This increase in police recorded crime may have been affected by the renewed focus on the quality and compliance of crime recording since HMIC carried out a national inspection of crime data integrity in 2014.

In the 12 months to 31 March 2015 Northamptonshire had a victim-based crime rate of 59.1 and a non-victim-based crime rate of 5.9 per 1,000 population. This represents a decrease (16 percent) in the victim-based crime rate and an increase (4 percent) in the non victim-based crime rate since the start of the spending review in 2010. During the same time period England and Wales had a victim-based and non victim-based crime rate of 55.2 and 6.9 per 1,000 population respectively. This represents a decrease in both crime rates by 15 percent and 19 percent respectively since the start of the spending review. The scale of the change in crime rate can be seen in Figure 1.

**Figure 1: Police recorded crimes per 1,000 population in Northamptonshire 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 police recorded crimes, rather than changes due to population change)**

Of those who have been the victim of a crime in Northamptonshire, 83.5 percent<sup>2</sup> were satisfied with their whole experience with the police in the 12 months to 31 March 2015. This is similar to the national victim satisfaction rate of 83.8 percent<sup>3</sup> over the same time period. 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 Northamptonshire.

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

<sup>2</sup> Northamptonshire, confidence interval +/- 2.3 percent.

<sup>3</sup> England and Wales, confidence interval +/- 0.2 percent.

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

**Source: HMIC Efficiency data collection**

There remains a mixed picture of how well the force is meeting the needs of the public in relation to reducing crime. There have been notable improvements in reducing some types of crime but others, such as violent crime are not being tackled effectively and performance in this area remains a concern. Northamptonshire has a notably higher recorded crime rate compared to England and Wales for offences of violence against the person and has also seen the largest increase compared to 12 months previously in recorded crime rate of any force for this crime type.

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

The force is still developing a comprehensive understanding of the totality of the demand for its services. Only once it has developed this detailed understanding will the force be in a position to manage that demand effectively. The force has recently established a governance board to oversee the development of demand management using an evidence-based approach. This is a positive step. In addition, the force has recently invested significant police officer resource in the demand management unit, which is dealing with a large number of calls for service which otherwise would have received a police attendance.

HMIC is encouraged that the activity analysis is to be extended to include all frontline staff. This will assist the force to understand demand more comprehensively and identify areas where it can be managed more effectively. The force intends that this will enable it to plan and allocate resources to meet demand more effectively. The force has partially considered future demand to inform its decisions on a workforce model for Northamptonshire that will be sustainable in the medium and longer term.

The force has very recently introduced the concept of THRIVE (threat, harm, risk, investigative opportunities, vulnerability, and engagement opportunities). This approach seeks to enable call handlers to identify the risks associated with each call for service and ensure that the police respond in the most appropriate way. It is too early to assess the impact of this change. HMIC found that staff in the force's control room were aware of the new approach and had received some training in its use. However, staff at other public access points such as police station counters were unaware of the introduction of THRIVE and were not using it.

The force has also recently introduced a mental health triage car, staffed jointly by officers and mental health professionals to respond to members of the public suffering from a mental illness. It is too early to assess the reduction in demand to the force, including detentions under section 136 of the Mental Health Act 1983<sup>4</sup>, as a result of this initiative. However, early indications are encouraging.

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

The force has only a limited understanding of the relationship between service outcomes and costs. This means that it is difficult for the force to be certain its services provide value for money. The force hopes that through the activity analysis and its developing picture of demand, it will have a better understanding of how long officers spend investigating different types of incidents. This understanding would enable the force to determine how officers' daily activities could be more efficiently organised. For example, it hopes to evaluate how much time might be saved from the planned introduction of new technology to enable officers to work from mobile locations without the need to return to police stations to submit reports or obtain information.

The force has performance management arrangements in place. It is moving from a target-driven approach to measuring performance towards one based on responding to need and focusing on victim vulnerability.

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<sup>4</sup> Section 136 of the Mental Health Act 1983 allows the police to take members of the public who appear to be suffering from mental disorder and in immediate need of care or control to a place of safety, and to detain them there for a period not exceeding 72 hours for the purpose of medical examination and of making any necessary arrangements for treatment or care.

Strong governance structures are in place, which enable senior officers to oversee performance and progress in relation to individual programmes and savings plans. A wide range of force governance boards oversee performance and progress in relation to individual strands and savings plans.

When the force adds a new strand, it also establishes a bespoke governance arrangement, such as the demand management board and the police business services (PBS) board.

The chief constable chairs an overarching board which scrutinises all the force's inter-related change programmes (known as the Aspire programme). However, the force could do more to understand interdependencies between those strands of change and the savings programmes that are already implemented, in progress, or planned. For example, the force should seek to improve its understanding of how the business support needs of any new policing model will be supported after the establishment of PBS, and how demand reductions and time savings through more efficient working will affect the police and crime commissioner's commitment to retain 1,220 police officers.

There are weaknesses in the force's communications relating to its change programmes. Many staff we spoke to were unaware of future plans, how they might be affected and what support was available to them.

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

Using new working methods to improve services is an area of strength for Northamptonshire Police, which collaborates positively and constructively with other East Midlands forces, as well as with Cheshire Constabulary. The force also has several collaborative arrangements with Northamptonshire public sector organisations, particularly the fire and rescue service. The force plans to explore other opportunities for collaboration over the period of its medium term financial plan, and to increase the proportion of its spending on collaborated services to 20 percent of its total budget during 2015/16.

The force has purposeful and well-established joint operational working arrangements with other police forces across the region, such as the East Midlands specialist operations unit (EMSOU) and the new East Midlands operational support services (EMOpSS) arrangements providing both resilience and cost savings for Northamptonshire. The force has also collaborated with Cheshire Constabulary in the multi-force shared services (MFSS) arrangement. The force is building on this initiative with the proposed police business service (PBS) which will see its remaining corporate services form a joint service with Nottinghamshire Police. The force also now plans to outsource its custody officers to G4S with four other East Midlands forces.

The force's joint working with the fire and rescue service in Northamptonshire is particularly purposeful and innovative. The force is committed to working in partnership even if it does not enable a financial saving, so long as it enables a better and more cohesive service to the public. For example, the force has looked to share vehicles, estate and staff with the fire and rescue service. While this work is not wholly driven by efficiencies, it is an excellent example of adding value to services for local communities through more joined-up public services.

Northamptonshire recognises the need to develop its working practices so that staff and officers can work more flexibly in support of operational needs. The force has made good use of the Police Innovation Fund by investing in technology which will enable mobile data to be available to all frontline staff. This technology will enable staff to undertake a range of activities on-line without returning to a station. The investment in a new IT infrastructure (NICHE systems) across the East Midlands is also a significant improvement. This offers a real opportunity not only to improve the force's processes but also to link up much more effectively with neighbouring forces, making collaboration more efficient.

## Summary of findings



**Requires improvement**

The force does not fully understand the demand on its services, it recognises that it needs to improve the way it manages demand to make best use of police time. It is now taking steps to do so.

The force has undertaken limited analysis to evaluate whether the allocation of resources to different areas of the force is appropriate. It is encouraging that the force has undertaken activity analysis to inform its approach to resource allocation; however it needs to consider the accuracy of the information collected.

While the force has started to assess the impact of demand from other public sector organisations, it has yet to work closely with them to jointly reduce this demand.

The force does not have a detailed understanding of the relationship between service outcomes and costs, making it difficult for the force to be certain that its services are providing value for money. The force needs to consider how it can work better to reduce violent crime offences.

The force has demonstrated a keen commitment to working collaboratively. It has strongly established joint operational working with other services across Northamptonshire and with police forces across the East Midlands.

### **Areas for improvement**

- The force should undertake further work to gain a fuller understanding of current demand for its services, and likely future changes in demand. This is so it can make best use of its resources by matching them to demand to meet the needs of the public
- The force should develop its understanding of the links between its outcomes, outputs and costs

## How sustainable and affordable is the workforce model?

HMIC examined how Northamptonshire Police has structured its workforce (i.e. its mix of police officers, staff and police community support officers (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?**

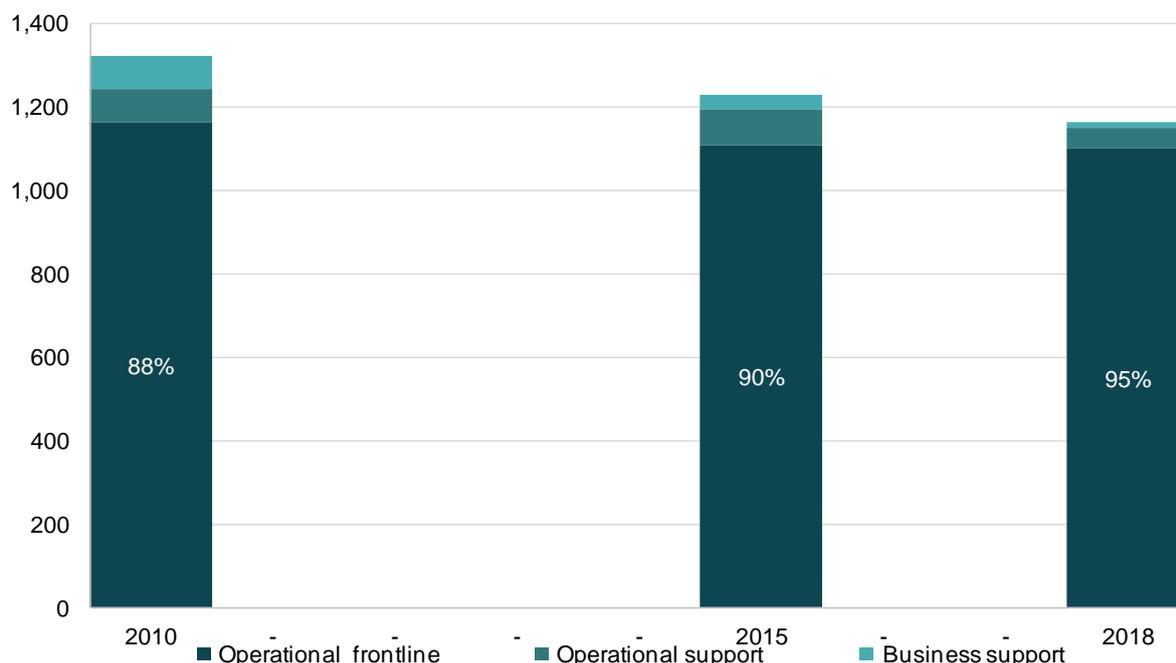
Northamptonshire Police forecasted a total savings requirement over the first four years of the spending review as part of the value for money inspection programme (2011/12 to 2014/15) of £22.88m, the equivalent of 16 percent of the 2010/11 gross revenue expenditure for the force. Savings were made in both the pay and non-pay budgets. Since 2010, Northamptonshire police has seen a reduction of 113 fewer police officers, 326 staff and 42 PCSOs full time equivalent (FTE).

In Northamptonshire, there have been decreases in the total number of police officers FTE over the period 2010 to 2015, as shown in figure 3. During this time period, the proportion in frontline roles has increased from 88 percent in 2010 to 90 percent in 2015. The force expects to increase this proportion looking forward to 2018.

Northamptonshire Police does not yet fully understand its demand and therefore it cannot be clear that the current workforce model is designed to most efficiently match demand.

The force reduced its overall workforce between 2010 and 2015 by a greater proportion than the average for police forces in England and Wales. The force has managed its savings with comparatively smaller reductions in the number of police officers and only limited change to the police operating model. In common with many forces, the force achieved savings early on in the spending review period by reducing police officer numbers through slowing recruitment. However, when the police and crime commissioner was elected in 2012, he pledged that police officer numbers in Northamptonshire would remain at their 2012 level (1,220 officers) throughout his four-year term of office (up to 2016). To make the necessary savings since 2012 the force has therefore had to cut numbers of police staff and PCSOs by a much greater proportion than other forces.

**Figure 3: Planned changes to police officer full time equivalents (FTE) in operational frontline, operational support and business support roles in Northamptonshire 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 police and crime commissioner has pledged that the number of special constables would increase to 900, which the force plans to achieve by 2017. This extra support to police strength aims to improve public confidence, provide a greater visible policing presence in communities and offset the impact of reducing numbers of PCSOs, though this scale of voluntary effort may prove challenging to maintain. Many staff raised concerns that the rapid and ambitious growth in the size of the special constabulary in Northamptonshire has meant that the current structures designed to train and support newly-recruited special constables are inadequate. There may be a significant risk should special constables be deployed on their own without the appropriate supervision, skills or training to deal with complex and difficult investigations.

It is also unclear to what extent the current workforce model is aligned with the needs of the communities it serves. The force works with academic partners and seeks to develop future policing plans which are evidence-based. The force faces a significant challenge in ensuring it can develop a more efficient and modernised workforce, whilst also sustaining police officer numbers at 1,220 and creating an establishment of 900 special constables. It will also have to consider carefully the skills of the different elements of its workforce so that the force can ensure it meets the demands that it faces in the future.

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

Figure 4: Planned changes in workforce FTE from 31 March 2010 to 31 March 2018 for Northamptonshire 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	1,343	-8%	-12%	1,229	-2%	-6%	1,199
Police Staff	1,172	-28%	-19%	846	-15%	-6%	721
PCSOs	164	-25%	-27%	122	-37%	-11%	77
<b>Workforce total</b>	<b>2,679</b>	<b>-18%</b>	<b>-15%</b>	<b>2,198</b>	<b>-9%</b>	<b>-6%</b>	<b>1,996</b>

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

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

The force has not yet developed a future workforce model. The force has identified projected staffing reductions to balance the budget over the next four years, with the overall workforce expected to reduce between 2015 and 2018 by a further 9 percent. The projected workforce numbers align well with the force's medium-term financial plans. However, until the force understands future demand and has a projected workforce model, it cannot evaluate the impact of these staff cuts on its ability to sustain resilient policing and achieve the police and crime commissioner's priorities.

The force is testing new approaches to local policing in Kettering and Oundle (one urban area and one rural area). These tests will inform the future changes to the future operating model.

To achieve the £19m saving requirement for the next four years while maintaining officer numbers the force has considered other ways to reduce its pay budget. . This has included looking creatively at collaboration opportunities, reducing police staff numbers and flattening the officer rank structure. These changes were not part of a planned transition to a new operating model so may be incompatible with, or may limit the effectiveness of, a new operating model for the force.

The force has a target to make savings through further reductions in the number of PCSOs and middle-ranking police officer posts. The force is also committed to maintaining police officer strength at 1,220 officers up to 2016 and dramatically to increase the number of special constables and volunteers. We can see that the force has started to look at a more scientific approach to resource allocation models so that it can plan for a sustainable workforce in the future. However, the force is not yet able to make decisions about the future model until it has done more work.

## Summary of findings



**Requires improvement**

Northamptonshire Police has reduced its overall workforce by a greater proportion than average for forces in England and Wales. Its limited understanding of its demand means that it cannot be clear that its current workforce model efficiently matches demand.

The force has projected workforce reductions required to balance its budget over the next four years. However, it is unable to assess the impact of the planned reductions as it does not understand future demand. It needs to develop a future workforce model and is trialling new approaches to local policing. The force faces a challenge in ensuring it can develop a more efficient and modernised workforce, with the right skills across its different elements, while also sustaining police officer numbers at 1,220.

The force needs to ensure the rapid increase in special constables is supported by the provision of training and appropriate supervision.

The force has started to look at a more sophisticated resource allocation model so that it can plan for a sustainable workforce in the future. However, without a better understanding of current and future demand the force is not yet able to make fully informed decisions and without this, it cannot evaluate the impact of planned staff cuts on its ability to maintain resilient policing and achieve the police and crime priorities.

### Areas for improvement

- The force should develop a future workforce plan that is aligned with its overall demand and budget. The plan should include future resource allocations, the mix of skills required by the workforce and behaviours expected of them.

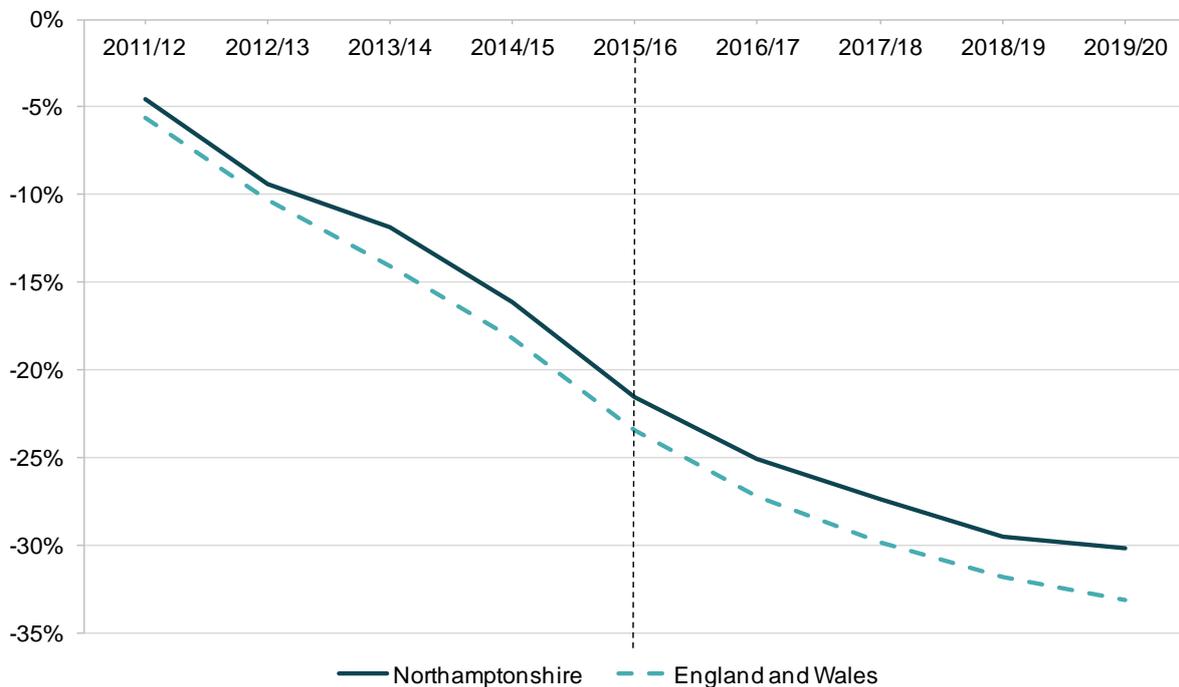
## **How sustainable is the force's financial position for the short and long term?**

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?**

Northamptonshire Police forecasted savings of £22.88m over the first four years of the spending review (2011/12 to 2014/15), the equivalent of 16 percent of the 2010/11 gross revenue expenditure for the force. Over this 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 savings for 2015/16 to 2019/20, against the 2010 gross revenue expenditure baseline for Northamptonshire 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 achieved its total savings requirement of £22.9m over the last spending review period, which equates to 16 percent of its 2010/11 gross revenue expenditure. This is similar to the average of 18 percent for England and Wales. The force was already a low-spending force with a smaller workforce per head of population than the England and Wales average.

A transformation fund has been set aside as part of the force’s reserves to enable it to invest in the cost of future change. The force indicated that this fund is due to be increased to £5.5m during 2015/16 and plans to use this fund over the next three years, in addition to the capital programme spending, to pay for the change needed to get the force into a sustainable position for the future.

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

Northamptonshire Police has planned a balanced budget of £122.7m for 2015/16, which includes a cut in spending of £7.6m. The force forecast that £5.5m of the reduction will come from the pay budget (72 percent) and £1.9m (25 percent) from the non-pay budget in this year's savings. The remainder of the spending reductions are being met by a use of reserves. Over the course of the current spending review period (from 2010/11 to 2015/16) these figures represent combined savings of 22 percent.

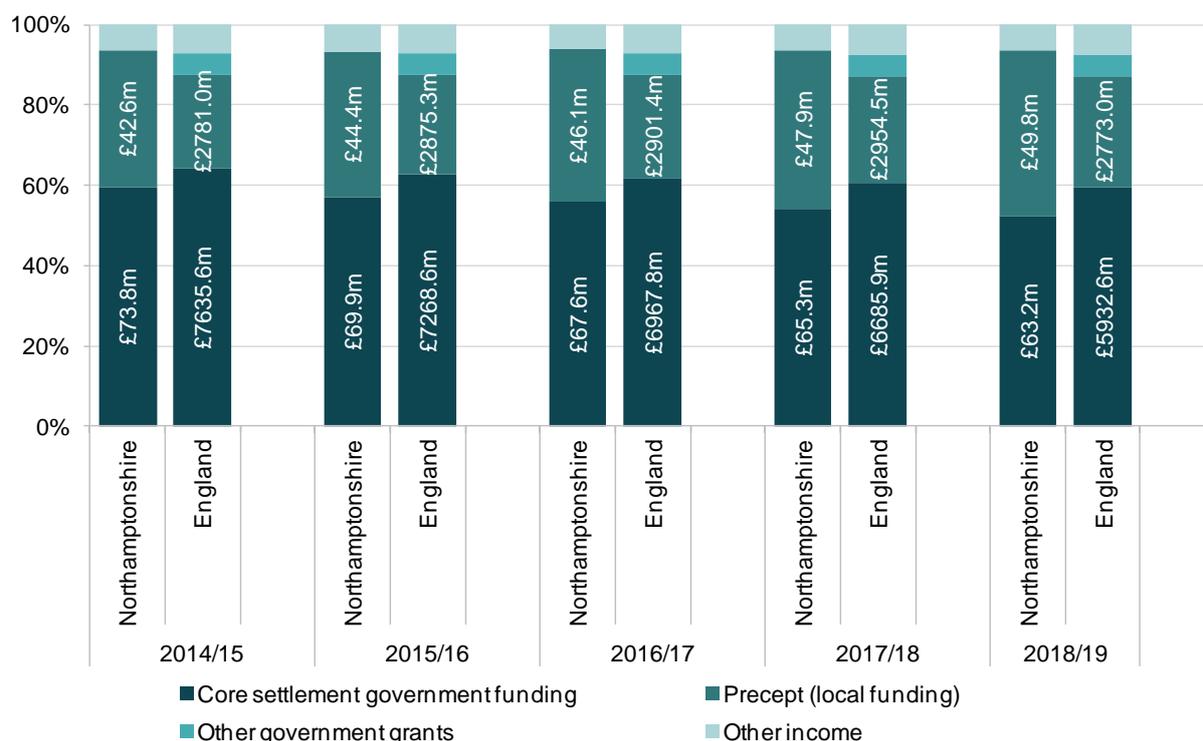
The force has forecasted a balanced budget by finding further savings of £7.6m in 2015/16. The majority of savings has come from a range of existing work stream projects to improve efficiency. However, because of a delay in anticipated collaboration savings, the force undertook a separate exercise from January 2014, which has identified additional potential savings of £2.43m from efficiencies across a wide range of departments.

The force had originally planned to collaborate on the provision of corporate services, combining finance, IT, HR and other back office functions with other East Midlands forces in a single unit known as police business services (PBS). While Northamptonshire Police had already planned savings from the collaboration, the force was able to secure only the agreement of Nottinghamshire Police to work together in this way. The force is therefore progressing the initiative as a two-force collaboration. This collaboration still has the potential to deliver cost savings, though not as great as would have been the case had more forces been involved.

## **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. Northamptonshire Police expects 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 period. 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 is not 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 Northamptonshire 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**

The force has secured grant funding from the Police Innovation Fund, which the force assesses to have brought in an additional £16.6m when both regional and stand-alone force projects are taken into consideration. This funding has enabled the force to invest in technology that will allow frontline staff and officers to have remote access to police information and carry out a range of duties without having to return to a police station.

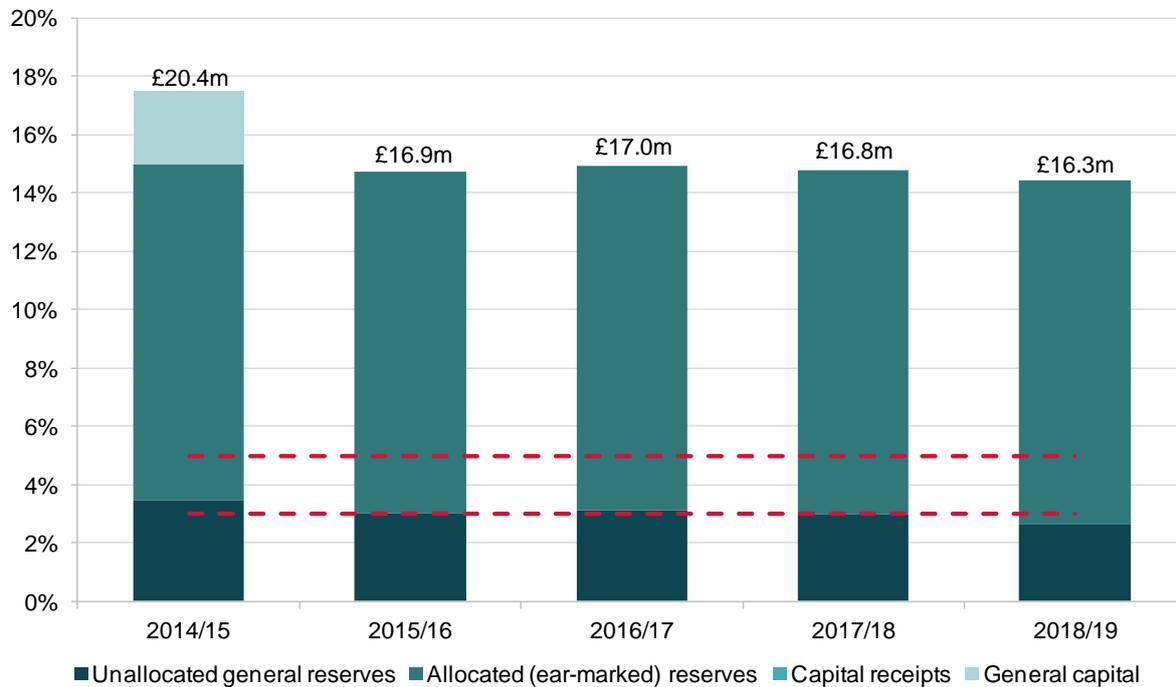
## How well does the force control expenditure?

Figure 7 shows the force's level of reserves and how these are forecast to change over time. Northamptonshire Police reported that its total reserves were £20.4m in 2014/15. These are broken down into several categories:

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

- general capital to support future planned capital expenditure.

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



Source: HMIC efficiency data collection

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

The force has a good track record of achieving savings. It has reduced spending with a reduction in police officers numbers that is smaller than the England and Wales average, while the force is also comparatively low-spending per head of population. It has sought to protect frontline police numbers and is one of the few forces where frontline police officer numbers have not fallen significantly during this period.

The force has planned a balanced budget throughout the spending review and has ended each year until 2014/15 with an underspend. This underspend has enabled the force to build up reserves which it intends to use to support future change.

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

The force’s financial plans have been developed in conjunction with the office of the police and crime commissioner (OPCC) and are designed to reflect the priorities set out in the police and crime plan. The key objectives and pledges of the PCC are all accurately reflected in the force’s financial plans. The force has worked hard to encourage and recruit more special constables and volunteers, and has invested

additional resources in priority areas of protecting vulnerable people and tackling cyber-crime.

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

The force's head of finance works closely and constructively with the OPCC and shared assumptions are used to develop future plans. The force has made financial plans based on an assumption of an increase of 1.99 percent in the police element of the council tax every year for the next four years and an increase in pay of 1 percent over the same period. Likewise, it has made assumptions that savings from regional collaboration and the force's estate plans will be fully achieved. These assumptions are potentially optimistic; if so, the force will need to find additional savings from elsewhere. The force's chief officer team and the PCC separately provide regular and robust monitoring, which will allow financial assumptions to be adjusted.

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

The force has plans in place that provide HMIC with confidence that the force can deliver the savings required through to 2016/17. The force predicts that it will reduce its spending sufficiently to match its budget each year until 2019/20, using only a small amount of its reserves to bridge the gap. However, the plans for how these savings are to be made are at the very early stages of development. The plans include a number of areas where HMIC can only have limited confidence that they can be delivered.

The force recognises that it now needs to develop these outline plans into more detailed plans to provide more confidence that it can achieve the savings needed from April 2016 onwards.

## Summary of findings



**Good**

The force has achieved its total savings requirement of £22.9m over the last spending review period and has achieved an annual underspend in doing so.

The force collaborates positively and constructively with other forces in the East Midlands and with Cheshire Constabulary. These enable the force to build resilience and work more efficiently, though the business services collaboration has not delivered expected savings this financial year meaning short-term additional savings have had to be identified. Successful bids for funding through the Police Innovation Fund have, among other benefits, enabled the force to invest in mobile technology.

The force's financial plans have been developed in conjunction with the office of the Northamptonshire police and crime commissioner (OPCC). This collaboration has helped ensure that the plans reflect the police and crime commissioner's (PCC's) key objectives and pledges.

The force has reduced its police officer numbers by less than the England and Wales average, while increasing its percentage of frontline officers. The force predicts that it will reduce its spending sufficiently to match its budget each year until 2019/20, using only a small amount of its reserves to bridge the gap. However, the plans for how these savings are to be made are at the very early stages of their development and there are a number of areas where there can be as yet limited confidence that they can be achieved.

## 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,<sup>5</sup> it is commonly considered that three percent to five percent of net revenue expenditure is a prudent level of unallocated general reserves for risk-based planning purposes. This range is shown on the graph by the two horizontal red dotted lines.

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

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<sup>5</sup>*Striking a balance: Improving councils' decision making on reserves*, Audit Commission, December 2012. Available from <http://webarchive.nationalarchives.gov.uk>