

PEEL: Police efficiency 2015

An inspection of Staffordshire Police



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

Overall judgment¹



Good

HMIC found that Staffordshire Police is well prepared to face its future financial challenges. It has a good understanding of its current demand and has developed processes to allow it to make informed choices about resource allocation throughout the force. The force has strong financial management and has made all of the savings required for the spending review period. In last year's value for money inspection, which considered how forces had met the challenge of the first spending review period, Staffordshire was judged to be outstanding.

Summary




HMIC judges Staffordshire Police to be good. The force's understanding of its current demand is good and it is in a position to respond to dynamic changes of demand on a daily basis. Although it is meeting the current level of demand, it is aware that to meet the financial challenge ahead there needs to be a change in the way it provides its service to the public.

The force has set up a transformation programme to enable it to change the way it serves the community. The programme is looking at improving partnership work, being more efficient with its estates, improving technology and better procurement methods.

The force understands the current levels of demand on its services from the public and has taken steps to ensure that its current workforce meets that demand. This has led to some reorganisation to allow it to be more efficient. Future workforce planning is not as developed. The force is currently trying to assess demand and the future financial requirements to better understand the workforce requirements.

The force demonstrates robust financial management and has balanced the budget for 2014/15 and 2015/16. It has detailed financial plans up to 2020 including efficiency savings, providing a strong understanding of the scale of its future financial challenge. It uses reserves efficiently and has balanced the budget and found savings for the period 2014/15 and 2015/16. It has detailed financial plans up to 2020 including efficiency savings and has reserves in place as a contingency.

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

How well does the force use its resources to meet its demand?	How sustainable and affordable is the workforce model?	How sustainable is the force's financial position for the short and long term?
 <p>Good</p>	 <p>Good</p>	 <p>Good</p>
<p>The force has a clear understanding of the current demand it faces. It has conducted research into over 1,000 calls to gain a better understanding of what is required by the caller. The force has developed, and continues to develop, systems and processes throughout the organisation which allows the most appropriate response for immediate calls to service.</p> <p>The force has a positive culture of working with local public sector organisations and in some cases has been able to demonstrate clear value for money in doing so. It has learnt lessons from previous change programmes and increased workforce engagement and ownership of change, though it has yet to seek the views of the most significant local public sector partners on the proposed transformation.</p>	<p>There is a strong connection between the force's workforce planning and its financial planning. Use of demand profiling in some areas means that the force has confidence that the establishment or allocation of its workforce to those business areas is appropriate.</p> <p>Staffordshire police is changing the way it works to meet short and medium-term emerging demands and areas of risk to the force and communities. They are committed to neighbourhood policing and the future policing operating model which it is anticipated will see improved integration of existing policing teams and better working arrangements with partners, such as the local council authorities.</p> <p>Since 2010, Staffordshire police has seen a reduction of 447 police officers, 189 staff and 29 PCSOs. In</p>	<p>The force has achieved its savings requirements and balanced the budget for the current spending review. It has maintained a tight control on expenditure, made savings and maximised other funding opportunities ensuring that the force's financial plans reflect the objectives set out in the PCC's police and crime plan. There are strong working practices between the force finance officer and the OPCC with clear oversight of expenditure.</p> <p>The force demonstrates robust financial management and has balanced the budget for 2014/15 and 2015/16. It has detailed financial plans up to 2020 including efficiency savings, providing a strong understanding of the scale of its future financial challenge. In 2016/17 it plans to save £8.7m; in 2017/18 £13.7m; and in</p>

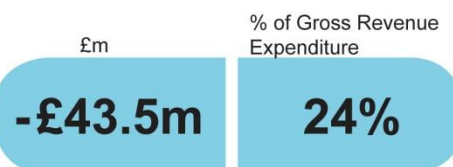
<p>Despite good short-term trend analysis around demand, the force is still in the process of assessing future demand, organisational and financial requirements through the transformational programme. It has identified that a more comprehensive IT system is required to improve efficiency and is currently developing this, engaging a strategic partner to help deliver change. The force is using a range of new working practices, including using new social media methods to target hard to reach communities.</p>	<p>planning for further reductions for the next spending review period, the force has recognised that its current workforce model is not sustainable. It is developing plans to modify this workforce model to ensure it is sustainable in the future. However, it is not currently able to demonstrate how future demand will impact on its plans for workforce development, which will hamper its ability to plan effectively. The force intends to recruit 80 officers and is increasing the number of PCSOs, special constables and cadets to balance anticipated high levels of officer retirement.</p>	<p>2018/19 £16.7m.</p> <p>The force recognises its dependence on the transformation programme achieving substantial changes. While the force has sufficient reserves to cover spending gaps in the short term, if the programme does not provide savings by 2017/18, or the level of savings requirement changes substantially, the force plans to make reductions in workforce numbers to maintain its sustainability and affordability. However the force does not have detailed plans for this and cannot yet show how it would affect their service to the public.</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.

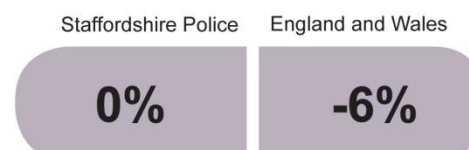


Providing policing

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



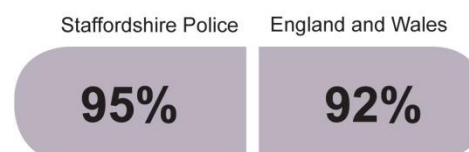
Planned change in total workforce numbers 31 March 2015 - 31 March 2018



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)

Staffordshire Police

England and Wales

£83

£115

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

Staffordshire Police

England and Wales

£125

£165



Key statistics

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

Staffordshire Police

England and Wales

+2%

+2%

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

Staffordshire Police

England and Wales

-19%

-16%

Victim satisfaction 12 months to 31 March 2015

Staffordshire Police

England and Wales

89.1%

83.8%

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

Staffordshire Police

England and Wales

No change

No change

Victim satisfaction: Staffordshire, confidence interval +/- 1.6 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 efficiency, effectiveness, 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. HMIC 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 Staffordshire Police.

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

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

How well does the force understand its demand?

The force has a clear understanding of the current demand on its services from the public and has sought to put in place systems at all levels of the organisation to analyse and respond to that demand. Information from daily tasking meetings is used by the force to build a better understanding of demand. The force is working with experts from the private sector to improve its understanding of the demand it faces. An information sharing protocol has been put in place with partners in order to understand where shared demand exists. The force is still in the process of assessing future demand, as well as organisational and financial requirements, through its transformational programme.

The force has analysed over 1,000 calls from the public to identify the differences required between initial and follow-up calls. The force is trying to understand how to manage cases more effectively by managing demand at the first point of contact, in order to reduce inappropriate deployment of officers to incidents. The contact centre also reviews daily performance and management information, giving the force a clear picture of what type of calls the force receives, how long they take and what time of day they receive most calls. The introduction of new IT systems (Netcall, QueueBuster and Spirit) within the force contact centre will assist with the analysis of demand and improve the allocation of resources.

The force made a clear change two years ago from a target focused culture to an approach based on threat, risk and harm. The deputy chief constable (DCC) has fortnightly performance management meetings to identify emerging trends, particularly around rape and serious sexual offending, violent crime, stop and search and drugs. However, this emerging picture of demand remains primarily rooted in short-term trends, with the force unable to demonstrate that it has considered likely future demand or how this is likely to affect the force's operating model. The force has done some long term modelling of future demand with regard to Child Sexual Exploitation (CSE) and Rape and Serious Sexual Offences (RASSO). However, they have found that this is complicated and inexact, especially in the context of a transformation programme which is seeking to reduce demand.

How well does the force match resources to demand?

The force is currently developing its ability to deploy the most appropriate resource to incidents. It then re-allocates resources to meet ongoing demand.

There are daily management meetings both at a local policing and a force level. These meetings consider threat, harm and risk to the public over the coming 24 hour period and the resources that would be required to address them. Local fortnightly tasking meetings and a force wide strategic monthly meeting are held to manage the medium to longer term threats and risks and to authorise the deployment of staff to meet these needs. Information from the fortnightly performance meetings is also used to help decide where resources are allocated.

The force has been running a pilot scheme in one of its Local Policing Teams (LPTs) for a system called SPIRIT (Staffordshire Police Intelligent Resourcing Information Technology). It uses a GPS positioning system combined with an operational skills audit of staff to identify and deploy the most appropriate resources, rather than merely the nearest resource. This means detectives might initially be sent to incidents where response officers would previously have been deployed, if they have more appropriate skills. The force hopes that this new deployment process will help the force to achieve the best outcomes for the public. The force intended to roll this scheme out across other LPTs from May 2015. The Force has invested in a third party product called RAMP (Resource Allocation Model for Policing) to understand the level of resources that will be required to deliver services against future predicted demand and the new ways of working designed through the transformation programme.

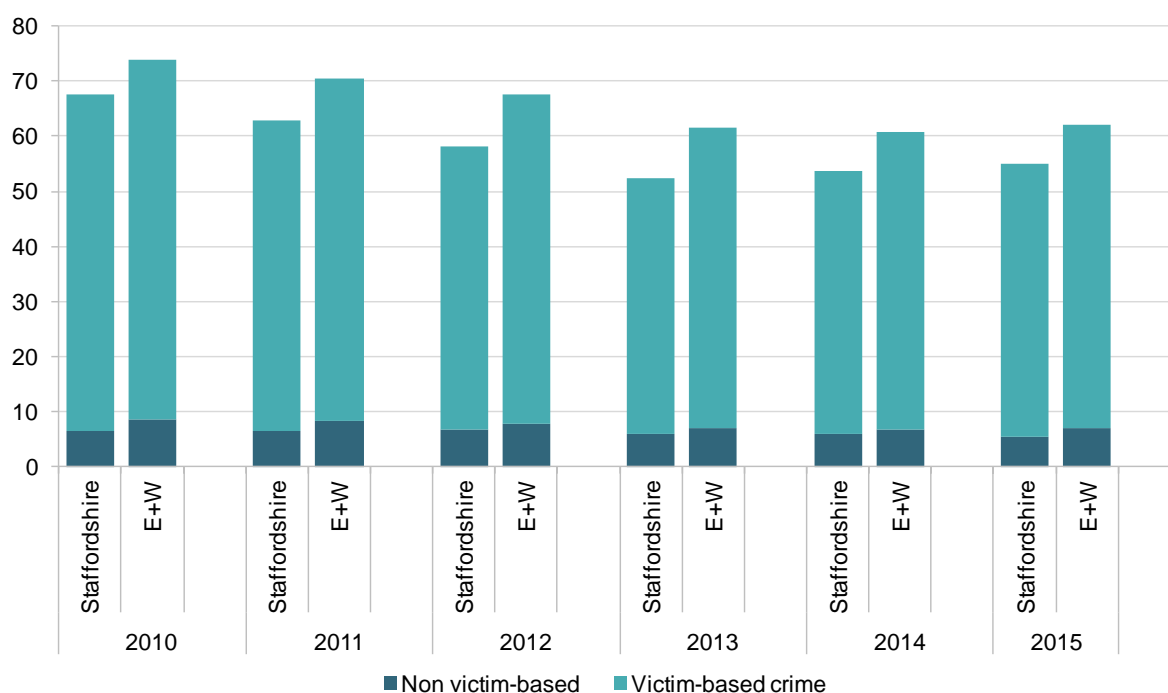
How well are the force's services meeting the demand from the public?

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

Although police recorded crime is by no means a complete measure of the totality of demand a force faces, it does provide a comparable performance indicator across all forces. Crime rates are reported as 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. drug offences). Two thirds of forces showed an annual increase in total police recorded crime in the year ending 31 March 2015. This increase in police recorded crime might 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 Staffordshire had a victim-based crime rate of 49.6 and a non-victim-based crime rate of 5.4 per 1,000 population. This represents a decrease (19 percent) in the victim-based crime rate and a decrease (16 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 police recorded crime rate can be seen in Figure 1.

Figure 1: Police recorded crimes per 1,000 population in Staffordshire 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 Staffordshire, 89.1 percent were satisfied with their whole experience with the police in the 12 months to 31 March 2015.² This is higher than the national victim satisfaction rate of 83.8 percent over the same time period.³ There has been no significant change in victim satisfaction in the 12 months to 31 March 2011 and the 12 months to 31 March 2015 in Staffordshire.

² Staffordshire, confidence interval +/- 1.6 percent.

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

HMIC monitored how a force engages with the public as part of the inspection. Figure 2 below shows Staffordshire police uses a range of methods (including Facebook, Twitter and e-mail) to engage with the public.

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

Source: HMIC Efficiency data collection template

The force seeks to exploit new media opportunities to improve engagement with the public. The senior communications officer is the national lead for Facebook issues. The force operates 81 different social media accounts and recognised the potential need to increase staffing capacity within the communications department. The force is already monitoring a new platform of social media called 'Periscope' with a view to using this new medium to engage with the public.

The force uses social media to send targeted messages to hard-to-reach groups and provided an example of engagement with the lesbian, gay, bi-sexual and transgender (LGBT) community. The force held a focus group with members of the LGBT community, which resulted in the adoption of better ways of serving their needs and that of the community.

How well is the force managing demand?

The force is working with local organisations in both the public and private sector in order to manage demand, particularly focussing on providing early interventions for families that are in need of help. The force has dedicated resources to a multi-agency safeguarding hub (MASH). Plans are in place to enhance the force's ability to work across different organisations by developing IT software capable of gathering and sharing information from all partner databases. This should enable faster and more effective decision making to manage demand across different organisations.

The force works well with a range of local public sector organisations. With a strong culture of joint working, staff feel empowered to operate with different organisations and demonstrate a desire to resolve issues together. Overall direction is set through the PCC's Safer Staffordshire Strategic Board, supported by lower tier groups providing shared needs assessments, mapping demand and joint commissioning of services.

The force is actively seeking opportunities to share some assets and functions with other emergency services such as Fire and Rescue. It is also exploring the private and third sectors for support in providing some aspects of crime prevention and reduction.

The force has made good use of their effective working relationship with other local public sector organisations. There is a collective understanding of the implications reduced budgets have across public service in Staffordshire. In October 2014 the finance leads for all the main partner agencies discussed joint working, sharing the details of budgets and future plans in order to highlight the effect on their services. The deputy chief constable is a member of the Commissioning Academy in Staffordshire, which has been instrumental in managing the response to child sexual exploitation.

The force has worked with the health authority to improve the response to people who require mental health services. This has resulted in a reduction in the number of people detained in police custody requiring mental health services. The force also has a successful street triage project – community psychiatric nurses and officers work together, responding to calls for service to assess the needs of people who may need support. The intention is to provide better care at the earliest opportunity and, over time, reduce the demand on accident and emergency and police services, while also providing better care to those in need.

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

The force has introduced new systems to achieve better performance and efforts are ongoing to streamline further processes. HMIC found supervisors demonstrated a clear understanding of performance, demand and resourcing in local policing areas.

Clear governance and accountability is in place enabling the force to understand and monitor its outputs. The Force Strategic Co-ordination Group monitors the benefits realised through the transformation programme to ensure that savings and efficiencies are achieved and improvements are made.

The force is able to demonstrate that its investment in working with other local organisations is providing value for money. For example, within the Building Resilient Families Partnership the force played a key role in defining the outcomes, and the performance against these measures is tracked through the programme leadership board. The force is working to improve this further, though the development of a cost saving analysis tool.

The force also monitors service delivery within the contact centre, supervisors have a daily management report which details output and demand. However, the costs of the activities were not monitored and overtime was used to manage the change within the force contact centre.

The head of corporate services has monthly meetings with the deputy chief constable to discuss performance and highlight trends. There is also a close working relationship between the performance and analysis teams to ensure that policing priorities are communicated to local teams and reviewed to ensure the correct outcome is achieved for the victim and the community.

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

The force has learned from experience of the previous change programme (the Communities First initiative) that they had focused too heavily on taking out costs by process management, which reduced the sense of the force owning the change. It is using the County Council's Transformation Support Unit to improve their current approach. The force is taking a more considered approach to ensure the workforce feel part of the change, giving them a sense of ownership and empowerment in the process.

The force is actively engaging its leaders to deliver the transformation programme, particularly at superintendent, chief superintendent ranks and police staff equivalent, using them as positive ambassadors for change. The chief constable and PCC have communicated consistent messages to the workforce about the forthcoming changes. They have explained what the force can achieve with the funding it has, and how change is necessary to avoid workforce reductions by 2020.

The introduction of new IT programmes in the communication centre has helped to manage demand and improve the allocation of resources. The force is also ensuring the correct resource and service is provided by identifying those who repeatedly call the police. The force share information with partner agencies and ensure the callers receive the most appropriate service and provide solutions which should reduce the need for them to call so frequently, therefore reducing future demand.

New working methods are being explored to improve the learning and development of staff. For example, the use of an e-learning writer to create easy-to-use training applications. This will offer alternative methods, which cost less than abstracting staff to attend training. The first application of this method relates to stop and search processes.

New administrative methods have been implemented to improve services and reduce internal demand such as changes to the HR system. This allows staff the opportunity for self-service in relation to a number of processes such as booking annual leave as well as claiming expenses and overtime. This has freed up some of the first line supervisors time who had previously been required to authorise and process such claims.

The force adopts a case-by-case approach to collaboration, focusing on a pan-Staffordshire approach with individual agencies that choose to work together. The Safer Staffordshire Strategic Board has worked as a forum for bringing agencies together to pool ideas and discuss how to work together better. The force is working on collaborated forensics with Staffordshire University, as well as supporting the multi-agency safeguarding hub (MASH) and mental health triage. Private partners deliver its estate strategy, and the force works with Staffordshire fire and rescue to share training, fleet and repair capabilities. The force is also in discussion with Stoke City Council on sharing buildings so it can reduce its five police stations in the city to three.

Collaboration with other forces is not a core strategic aim for the force for the period of the next spending review. It now has a more focused programme of collaboration including: the regional organised crime unit (ROCU); the development of a regional confidential unit; the development of the Midlands motorway unit; and on the provision of legal services across the West Midlands.

The force recognises that new ICT is essential to the transformation programme, in order to make the workforce more mobile and allow the reduction in back office support. The previous approach was bespoke to the force and had limited connectivity to other agencies. The force intends that its new ICT will be built around the needs of the user. Staff at all levels have been involved in the design and senior staff are engaged through the senior executive group, which reviews detailed progress reports on a three monthly basis.

The force has a model for the future delivery of its IT, aiming to become a commissioner of services from its commercial partner rather than carrying out the provision itself. It recognises this will be a challenge, working as a client with an external provider, however, it has built good flexibility into its ICT procurement. The force has a contingency plan for if the ICT partner procurement process fails and will buy solutions on a case-by-case basis.

The force is making good progress securing this ICT partner it and has used consultancy support to advise on the architecture, product design and implementation.

The MASH is a good example of the new approach to ICT. There are currently seven organisations in one location with 23 separate IT systems. By autumn 2015 it will have a single platform allowing efficient and effective sharing of data and analysis.

The force is improving its digital capability for officers and mobile data should have been implemented by the end of April 2015. It will provide smartphone/tablet capabilities and access to force systems including risk assessment tools for vulnerable victims. The force intends to introduce additional functions in the months following initial implementation. An operations group has been set up to look at the benefits that arise from the system and to consider the next steps.

Summary of findings



Good

The force has a clear understanding of the current demand it faces. It has conducted research into over 1,000 calls to gain a better understanding of what is required by the caller. The force has developed, and continues to develop, systems and processes throughout the organisation which allows the most appropriate response for immediate calls to service.

The force has a positive culture of working with local public sector organisations and in some cases has been able to demonstrate clear value for money in doing so. It has learnt lessons from previous change programmes and increased workforce engagement and ownership of change, though it has yet to seek the views of the most significant local public sector partners on the proposed transformation.

Despite good short-term trend analysis around demand, the force is still in the process of assessing future demand, organisational and financial requirements through the transformational programme. It has identified that a more comprehensive IT system is required to improve efficiency and is currently developing this, engaging a strategic partner to help deliver change. The force is using a range of new working practices, including using new social media methods to target hard to reach communities.

How sustainable and affordable is the workforce model?

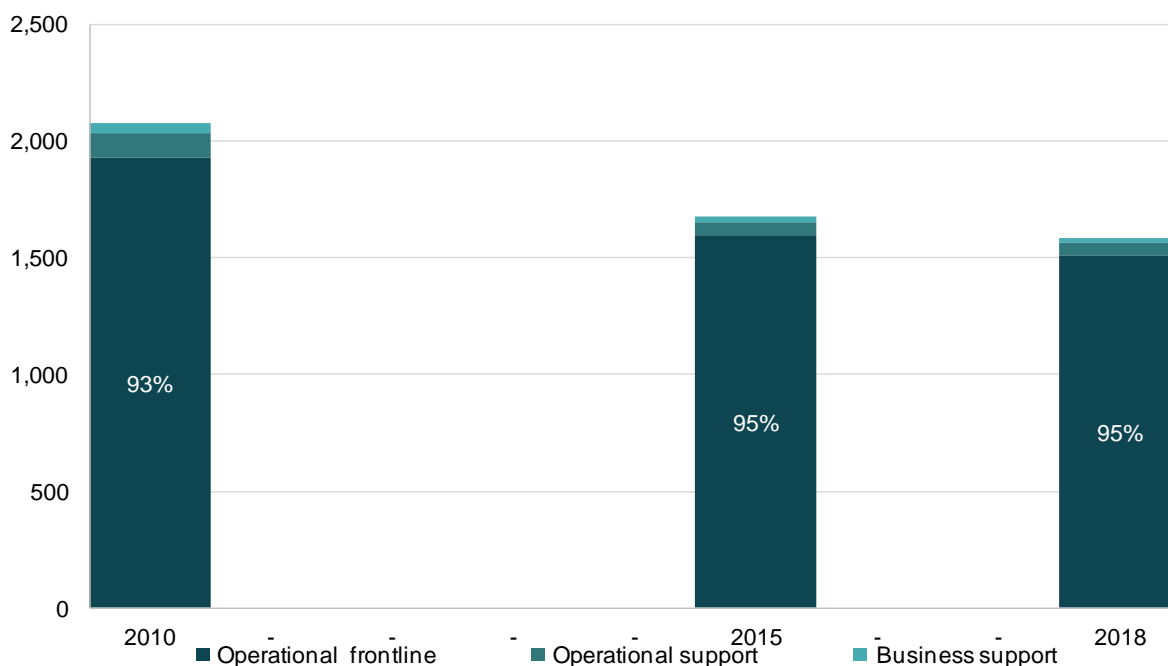
HMIC examined how Staffordshire Police has structured its workforce (i.e. its mix of police officers, staff and PCSOs, and the proportion of all these groups working in frontline positions), and assessed whether this was affordable and sustainable as the force responds to its financial challenge. We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

Staffordshire police force forecasted a total savings requirement of £30.27m over the first four years of the spending review (2011/12 to 2014/15), as part of the value for money inspection. This is 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, Staffordshire police has seen a reduction of 447 police officers, 189 staff and 29 PCSOs full-time equivalent (FTE).

In Staffordshire, 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 time period the proportion in frontline roles has increased from 93 percent in 2010 to 95 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 equivalent (FTE) in operational frontline, operational support and business support roles in Staffordshire 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

Staffordshire Police has delivered a significant amount of change since 2011, taking £30.3m out of the annual budget through the introduction of leaner structures and improved processes. However it is still able to match its resources to demand, under the governance of the force establishment panel, which includes staff from human resources and finance departments. They meet fortnightly to analyse demand and ensure staff are effectively deployed to meet it.

The force has adopted a system of demand profiling that looks at the number of resources required to carry out a function against set parameters on the basis of the skills required. For example a profile of the criminal investigations department resulted in some detective constables being replaced with police staff investigators who cost less. The force also ensures the workforce plans are aligned to the delivery of the police and crime plan, by referring any change in profiles to the strategic co-ordination board.

The force finance and human resource departments work well together to ensure that its financial and workforce planning processes are integrated. Monthly reports are reviewed at the chief officer management meeting reporting on the percentage of staff allocated to frontline policing. This enables the force to plan its workforce numbers against its budget more accurately.

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 Staffordshire 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	2,161	-21%	-12%	1,714	-4%	-6%	1,650
Police Staff	1,373	-14%	-19%	1,185	6%	-6%	1,257
PCSOs	237	-12%	-27%	208	0%	-11%	209
Workforce total	3,772	-18%	-15%	3,107	0%	-6%	3,116

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

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

Staffordshire Police understands current demand and is changing the way it works to meet emerging demands and areas of risk to the force and communities. It is committed to neighbourhood policing and the future policing model will see improved integration of existing policing teams and better working arrangements with partners, such as the local council authorities.

While future plans are being developed the force is making efforts to ensure that it has a sustainable workforce to accurately match demand. The benefits realisation team has prepared a number of staffing demand profiles for business areas such as local policing and custody. This latter profile recommended improvements and re-organisation resulting in a reduction in the number of custody sergeants. A demand profile for investigative services resulted in a reduction in the number of warranted detective constables and an increase the number of police staff investigators at a reduced cost. Although the force recognises that there will be an increase in demand in some crime types such as child sexual exploitation and cyber-crime, this has not influenced any specific training and recruitment in these areas.

The force is still in the process of assessing future demand, and organisational and financial requirements, through the transformational programme. Accurate demand profiling means the force has confidence in the profiling of the business areas across

the force. However, the demand profiling only assesses current demand. Future demand is not predicted and there is no analysis of the effectiveness of how current resources are used. As a result the understanding of demand is rooted in the present as opposed to looking to the future.

The force has identified that a significant recruitment drive in the 1980s means that the unusually large number of officers recruited during that period are likely to retire in the next few years. It intends to recruit 80 officers and is increasing the number of PCSOs, special constables and cadets to meet demand.

The learning and development team have recognised the need to adapt officer training so they have the skills and knowledge to effectively work with other local organisations, for example negotiating and influencing skills or business acumen. The force plans to provide training in collaboration with partners and aims to deliver this training using trainers from both inside and outside the organisation.

Summary of findings



Good

There is a strong connection between the force's workforce planning and its financial planning. Use of demand profiling in some areas means that the force has confidence that the establishment or allocation of its workforce to those business areas is appropriate.

Staffordshire police is changing the way it works to meet short and medium-term emerging demands and areas of risk to the force and communities. They are committed to neighbourhood policing and the future policing operating model which it is anticipated will see improved integration of existing policing teams and better working arrangements with partners, such as the local council authorities.

Since 2010, Staffordshire police has seen a reduction of 447 police officers, 189 staff and 29 PCSOs. In planning for further reductions for the next spending review period, the force has recognised that its current workforce model is not sustainable. It is developing plans to modify this workforce model to ensure it is sustainable in the future. However, it is not currently able to demonstrate how future demand will impact on its plans for workforce development, which will hamper its ability to plan effectively. The force intends to recruit 80 officers and is increasing the number of PCSOs, special constables and cadets to balance anticipated high levels of officer retirement.

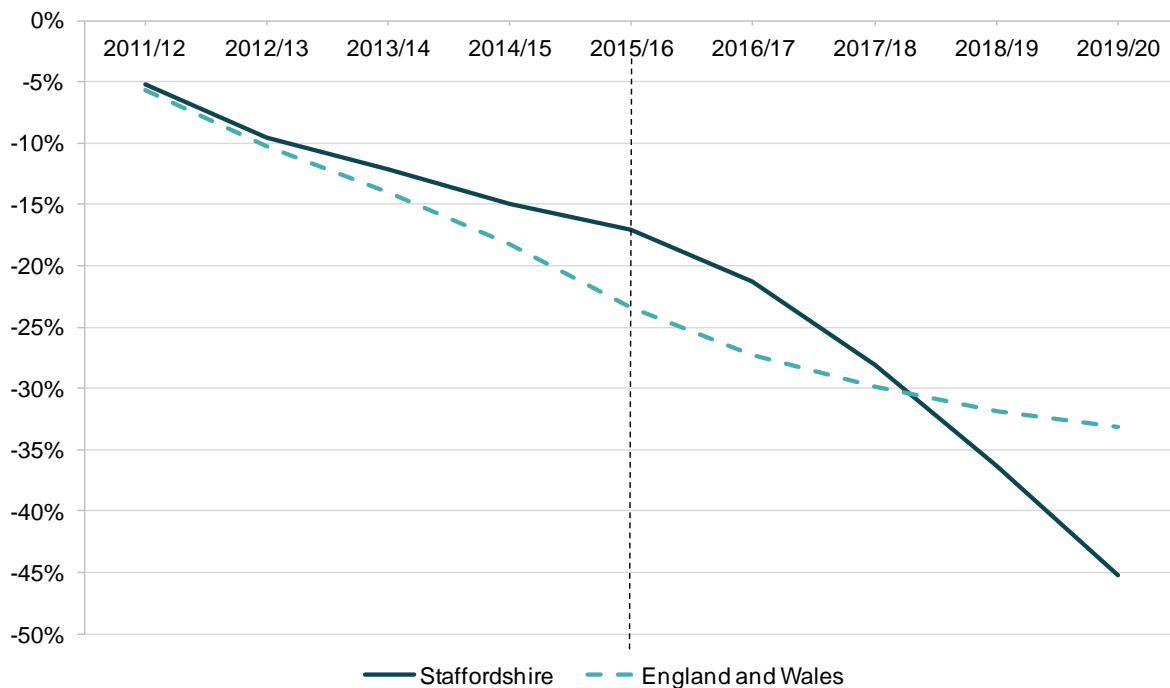
How sustainable is the force's financial position for the short and long term?

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?

Staffordshire Police forecasted savings of £30.27m 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 forecasted planned savings for 2015/16 to 2019/20, against the 2010 gross revenue expenditure baseline for the force 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 achieved its savings requirement for the spending review period. During this period the force also found savings that it has re-invested to improve how its resources meet the demand.

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

Staffordshire Police has planned a balanced budget of £176m for 2015/16, which includes a cut in spending of £4.4m. It is forecast that the reduction will be split between £1.4m from the pay budget (31 percent) and £1.5m (33 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. These figures, when added to previous reductions, amount to a 17 percent decrease in resources from the 2010 baseline through to 2015/16.

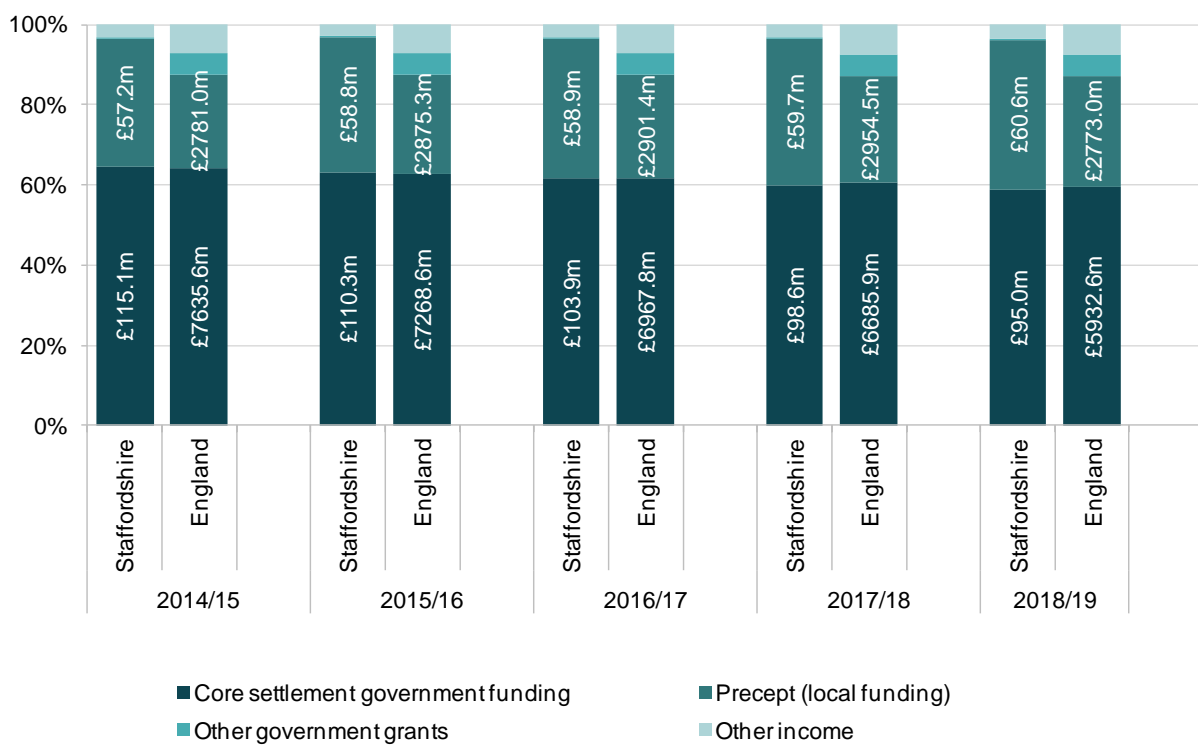
How well has the force maximised other funding opportunities?

The force has secured funding for joint initiatives with partners to protect vulnerable people, including a £1.2m bid from the Police Innovation Fund for its Prevent work

on child sexual exploitation and £12m over 5 years from the National Lottery for the 'Voices' project.

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

Figure 6: Forecast mix of funding for Staffordshire 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 works with the PCC to fund opportunities using joint commissioning processes to procure goods and services. The force has also been successful in getting funding from a variety of sources. These include a successful bid to the Police Innovation Fund to improve information sharing between partners in the multi-agency safeguarding hubs. The force has realised the potential benefits from

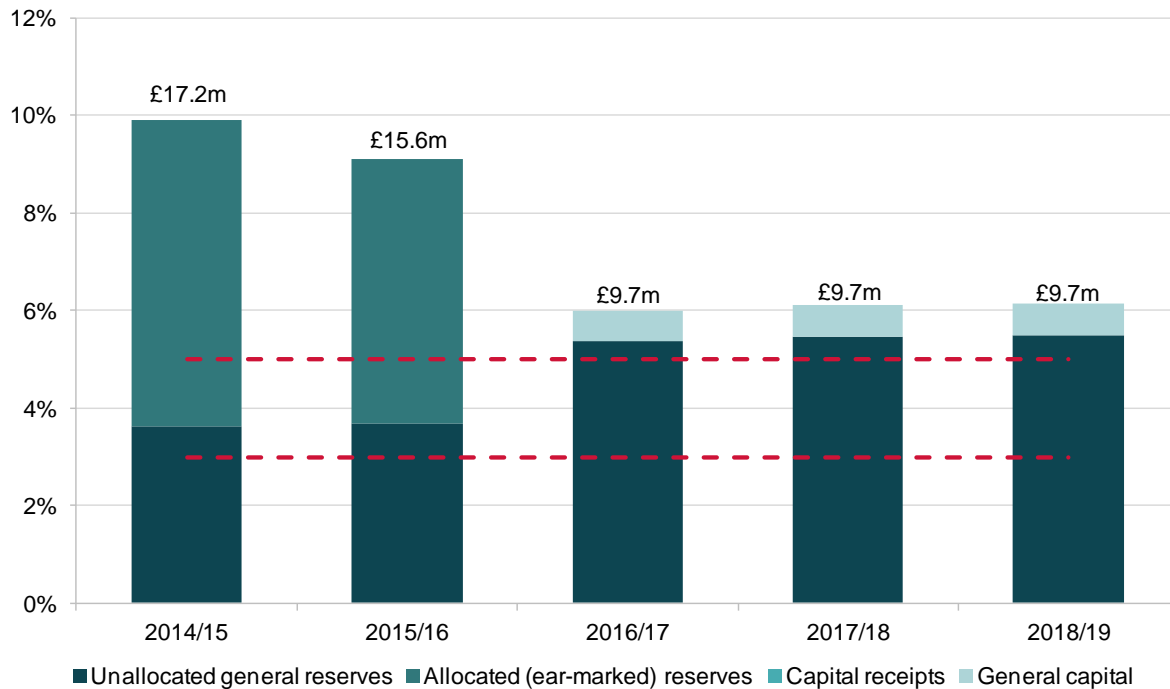
working with local partners, for example as a result of the Troubled Families project funding, eight vehicles were funded by partners and police for use of police staff. The force has also been successful in securing funding from external sources to produce well-being literature for staff in force.

How well does the force control expenditure?

The force's level of reserves and how these are forecast to change over time, is shown in figure 7 on the following page. Staffordshire Police reported that its total reserves were £17.2m in 2014/15. These are broken down into several categories:

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

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



Source: HMIC efficiency data collection

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

The force has a robust medium term financial strategy which it keeps under regular review and within that strategy ensures that it has reserves available as a contingency. Most of the reserves will be utilised for the transformation programme but there is also a contingency plan in place to address the outcome of potential legal proceedings regarding the use of regulation A19, where officers were required to retire after 30 years' service.

The force's financial structure supports the deployment of resources within the existing budget. For example, monthly monitoring information is provided to the transformation programme board and the chief officers using the force's integrated data system. This information is available for all staff on the force's intranet and enables decisions to be made at every level of policing. In addition, the establishment panel reviews the level of seconded staff from Staffordshire every four weeks to ensure that staff time is used effectively.

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

There is an established governance structure and a close working relationship between the force and the office of the police and crime commissioner (OPCC). The police and crime plan is developed in conjunction with the force. Financial plans are jointly developed and managed to ensure that resources are directed towards the PCC's objectives. For example, tackling root causes of crime, disorder and anti-social behaviour before they become a problem, supporting victims and witnesses and making it easier for victims and witnesses to receive the support they need. The financial plans are an integral part of the transformation programme. The PCC's chief finance officer attends the transformation programme assurance group; to ensure that the force's financial plans are aligned to the police and crime plan objectives.

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 provides timely and relevant financial information to the office of the police and crime commissioner (OPCC) which is represented on all non operational strategic level meetings. For example, every aspect of the change programme has a governance board that is jointly chaired by the deputy chief constable and the chief of staff from the OPCC.

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

The force understands the scale of its future financial challenge and recognises that 2017/18 is a critical point to achieve the level of savings required. In 2016/17 it plans to save £8.7m; in 2017/18 £13.7m; and in 2018/19 £16.7m. The force's medium term financial strategy is robust and regularly reviewed and updated each April. It is based on sound, prudent and realistic assumptions for grant levels, inflation, staff costs and precept.

The delivery of savings relies on the effectiveness of the force's transformational approach and on the success of public service reform. The force calculates that £61.6m savings will be required over the next five years, with a significant challenge from 2016/17 onwards.

The force's transformation programme plans to make financial reductions through focusing staff to match demand, smarter use of estates, improved partnership working, better IT and by reductions in support functions. A private sector partnership for ICT investment and development is also planned for the next ten years to help with the planned reduction.

The force has a clear approach to rationalising its estates, assessing that its estates collaboration programme should save £4.5m. Co-location has been in place for some time at Newcastle, Stone and Kidsgrove, while other locations such as Leek and Tamworth are under discussion as possible co-location sites.

The force recognises its dependence on the transformation programme achieving substantial changes. While the force has sufficient reserves to cover spending gaps in the short term, if the programme does not provide savings by 2017/18, or the level of savings requirement changes substantially, the force plans to reduce workforce numbers and services in order to maintain its sustainability and affordability. However, the force does not have detailed plans for this and cannot yet show how it would affect their service to the public.

Summary of findings



Good

The force has achieved its savings requirements and balanced the budget for the current spending review. It has maintained a tight control on expenditure, made savings and maximised other funding opportunities ensuring that the force's financial plans reflect the objectives set out in the PCC's police and crime plan. There are strong working practices between the force finance officer and the OPCC with clear oversight of expenditure.

The force demonstrates robust financial management and has balanced the budget for 2014/15 and 2015/16. It has detailed financial plans up to 2020 including efficiency savings, providing a strong understanding of the scale of its future financial challenge. In 2016/17 it plans to save £8.7m; in 2017/18 £13.7m; and in 2018/19 £16.7m.

The force recognises its dependence on the transformation programme achieving substantial changes. While the force has sufficient reserves to cover spending gaps in the short term, if the programme does not provide savings by 2017/18, or the level of savings requirement changes substantially, the force plans to make reductions in workforce numbers to maintain its sustainability and affordability. However the force does not have detailed plans for this and cannot yet show how it would affect their service to the public.

Annex A – HMIC judgments

The categories are:

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

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

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

Annex B – Further information about the data

Figure 3

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

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

Figure 4

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

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

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

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

Figure 5

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

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

Figure 7

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

According to a survey of financial directors conducted by the Audit Commission,⁴ 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.

⁴*Striking a balance: Improving councils' decision making on reserves*, Audit Commission, December 2012. Available from <http://webarchive.nationalarchives.gov.uk>