

PEEL: Police efficiency 2015

An inspection of Wiltshire Police



October 2015

© HMIC 2015

ISBN: 978-1-78246-904-9

www.justiceinspectorates.gov.uk/hmic

Contents

Overview – How efficient is the force at keeping people safe and reducing crime?	4
Overall judgment.....	4
Summary	4
Force in numbers	7
Introduction	9
How well does the force use its resources to meet its demand?	10
How well does the force understand its demand?	10
How well does the force match resources to demand?	11
How well are the force’s services meeting the demand from the public?.....	11
How well is the force managing demand?	14
How well does the force monitor and understand outputs, outcomes and costs?	14
How well is the force using new working methods to improve services?	15
Summary of findings	16
How sustainable and affordable is the workforce model?	17
How well does the force’s current workforce model match demand, organisational and financial requirements?.....	17
How well does the force’s projected workforce model match demand, organisational and financial requirements?	19
Summary of findings	20
How sustainable is the force's financial position for the short and long term? 21	
Has the force achieved its saving requirements and balanced the budget for the spending review period and 2014/15?	21
Has the force achieved a balanced budget for 2015/16?.....	23
How well has the force maximised other funding opportunities?	23
How well does the force control expenditure?	24

How well do the force’s financial plans reflect the objectives set out in the PCC's police and crime plan?	26
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?.....	26
How well developed are the force’s plans for possible further savings?	26
Summary of findings	27
Annex A – HMIC judgments	28
Annex B – Further information about the data	29

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

Overall judgment¹



Good

HMIC found that Wiltshire Police is well prepared to face its future financial challenges. The force has successfully reduced its spending over the last spending review period, improved its understanding of the demand on its services, is trialling a new operating model and is planning effectively for future financial challenges. It has done this through robust financial management and a commitment to continuously improving services. In last year's value for money inspection, which considered how forces had met the challenge of the first spending review period, Wiltshire Police was judged to be good.

Summary

HMIC judges Wiltshire Police to be good. The force has a good understanding of the current demand on its services and is able to match resources to that demand.

The force realises it will need to change to meet future demand and maintain a good quality service with a reduced budget. The force has completed a well-developed assessment of current demand on its services and has been able to change processes, working practices and introduce technology to meet this demand. This has helped shape the design of a new operating model², which will be piloted from September 2015. The pilot will be assessed on how efficiently demand is met, quality of service and level of savings made and, if successful, will be rolled out across the force.

The force has previously collaborated with Wiltshire County Council and other forces in the region but is now in the early stages of developing a wider-ranging strategic alliance with Avon and Somerset Constabulary to provide greater operational resilience and achieve future savings.




The current workforce model allows the force to meet demand from calls for service and is currently being reviewed using the Systems Thinking Operation Project (STOP) team to gain a better understanding of the workforce required to meet that

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

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

demand. The significant lead in time to effectively develop the skills and capability, rather than the numbers or capacity, of its workforce means that the force should be looking to rapidly develop its plans.

The force is in a good financial position with strong financial management. It has met its savings requirements under the spending review for 2014/2015 and has a balanced budget for 2015/2016 that has identified its savings requirement and is well on the way to achieving this. However, savings in subsequent years are heavily dependent on efficiencies from the new operating model and the strategic alliance with Avon and Somerset Constabulary, neither of which are currently certain.

<p>How well does the force use its resources to meet its demand?</p>	<p>How sustainable and affordable is the workforce model?</p>	<p>How sustainable is the force's financial position for the short and long term?</p>
<p> Good</p>	<p> Good</p>	<p> Good</p>
<p>The force has a good understanding of the demands on its services with efficient processes for deploying its resources, dependant on the level of threat, risk and harm faced by victims.</p> <p>The force has a clear structure and processes in place to allocate resources both in the long term and on a day-to-day basis. There are sufficient levels of trained staff to manage calls for service, and resolve calls without the deployment of front line officers.</p> <p>Some concern was raised by staff that police</p>	<p>The current workforce model is affordable and appears suitable for the demand currently experienced.</p> <p>The force has a strong structure with good processes so it can make decisions about the allocation of resources to meet demand within its existing budget.</p> <p>The future workforce model is not well-developed as yet and will be informed by the STOP project, including the pilot operating model, and the developing strategic alliance with Avon and Somerset Constabulary.</p>	<p>Wiltshire Police has a strong record of achieving the savings required under the spending review and demonstrates effective financial management.</p> <p>The force has set a balanced budget for 2015/2016 with identified savings some of which have already been realised.</p> <p>Finances have been secured from two successful bids from the Police Innovation Fund and the force actively seeks out other funding sources.</p> <p>There is effective financial control in place with devolved budget holders</p>

<p>inspectors in the force were not fully engaged and did not always understand the rationale for changes to the allocation of staff or day-to-day redeployment across the force.</p> <p>The force has completed a thorough analysis of demand (through its STOP project). In September 2015 it is commencing a pilot of a new operating model to meet local policing demand.</p> <p>Performance is well managed, based on the quality of service provided with a clear understanding of this from senior managers and many staff. However, there was evidence of an inconsistent approach taken across the force by some managers and supervisors.</p> <p>The force is collaborating, with other south west region police forces and with other agencies such as the Wiltshire County Council to further reduce costs and maintain services.</p>	<p>The force has identified the level of savings it expects to make from the introduction of the new operating model and the potential savings as the strategic alliance progresses. However, the force is not yet at a stage where it can identify what the future level and skills required of police officers and police staff will be.</p> <p>A flexible approach has been taken with an allocated reserve of money set aside to enable continued recruitment of police officers and enable the force to manage costs associated with changes to workforce numbers.</p> <p>The current position of the force does, to a certain extent, buy the force additional time to develop a detailed workforce plan. However, the significant lead in time to effectively develop the skills and capability, rather than the numbers or capacity, of its workforce means that the force should be looking to rapidly develop its plans.</p>	<p>who are supported by the force finance department. There are regular meetings between budget holders and the finance department to review financial performance, identify gaps or savings and adjust budgets appropriately.</p> <p>The force's assistant chief officer finance is also the finance officer for the police and crime commissioner and has good oversight and governance of both strategic and day-to-day financial management. This arrangement also ensures information is shared and the force works closely with the office of the police and crime commissioner providing timely, relevant information and using shared assumptions to develop financial planning.</p> <p>The force has a strong understanding of its current financial position and the likely future financial position. It has identified savings for 2015/2016 and beyond this by the implementation of a new operating model and development of the strategic alliance with Avon and Somerset Constabulary.</p>
---	--	--

Force in numbers



Financial position

Forecasted change in expenditure 2015/16 to 2018/19

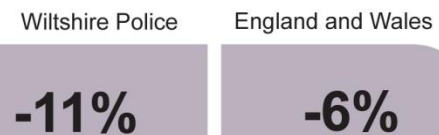


It is important to note that some forces only provided figures for savings they had formally signed off at that point, while others provided estimates for the whole period. As a result, the savings figure above might not reflect the full saving which the force might have to make. 2014/15 GRE has been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

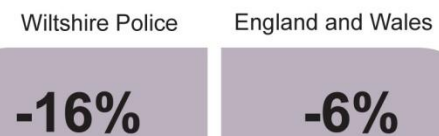


Providing policing

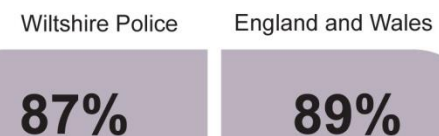
Planned change in police officer numbers 31 March 2015 - 31 March 2018



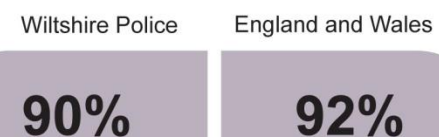
Planned change in total workforce numbers 31 March 2015 - 31 March 2018



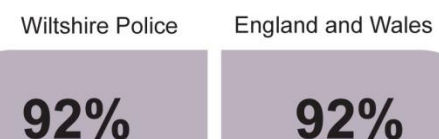
Proportion of police officers on the operational frontline 31 March 2010



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)

Wiltshire Police

England and Wales

£75

£115

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

Wiltshire Police

England and Wales

£120

£165



Key statistics

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

Wiltshire Police

England and Wales

-3%

+2%

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

Wiltshire Police

England and Wales

-16%

-16%

Victim satisfaction 12 months to 31 March 2015

Wiltshire Police

England and Wales

83.8%

83.8%

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

Wiltshire Police

England and Wales

No change

No change

Victim satisfaction: Wiltshire confidence interval +/- 2.4 percent. England and Wales confidence interval +/- 0.2 percent.

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

Introduction

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

As part of its annual inspections into police effectiveness, efficiency and legitimacy (PEEL), HMIC's Efficiency programme assessed how a force maximises the outcomes from its available resources. We reviewed both the financial and workforce planning of police forces 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 Wiltshire 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 undertaken several major pieces of work to identify the current demand for its services. This analysis has included a force-wide operational review, a neighbourhood policing team review and customer access review. Local level individual pieces of work have also been completed to support force-wide assessments. For example, in the south of the force, analysis of local demand has given the force a clear picture of what resources it needs to provide an efficient and effective service.

Wiltshire has worked together with other forces in the south west region, in order to understand demand on both back office functions such as human resources and a number of more directly operational functions such as serious and organised crime.

The force has engaged well with the public in understanding demand, including running a consultation exercise with over 500 residents to gain a better understanding of demand and what services the public want from the police.

The force has analysed 17,000 items of demand and mapped the processes to show how demand flows through the organisation to identify blockages, inefficiencies and duplication. This project, called 'STOP' has identified better ways to manage demand. This information has led to a pilot scheme in Trowbridge where current response and neighbourhood teams are being replaced by one 'community team' to manage demand in a more efficient way. This pilot started in September 2015. The force will need to ensure that these teams are able to balance responding to incidents with a proactive problem solving approach to policing.

How well does the force match resources to demand?

The current allocation of resources was based on a model agreed in 2011 but the force recognised the need to improve how it uses its resources to meet demand within the context of a reducing budget. The force has reviewed continuously how efficiently and effectively it uses its resources, allowing the force to make decisions to improve further how it matches resources to changing demand. Along with the STOP project findings, the force has changed shift patterns to meet demand in a better way. On a day-to-day basis there are daily management meetings (DMM) where decisions are made to move resources across the force area to meet calls for service, policing priorities and any ongoing demand. However there appears to be some pressure at inspector level, with some evidence that inspectors in the force do not feel they are part of the decision-making process about allocation of resources.

The assessment and review of various collaborative working arrangements has also driven improved demand analysis in order to determine the financial contribution which each force makes. For example, the exploration of collaboration opportunities with Avon and Somerset around major crime and homicide provided a clearer understanding of the demand across both forces, enabling them to allocate resources and funding fairly between the two on a 77 percent (Avon and Somerset) to 23 percent (Wiltshire) split.

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

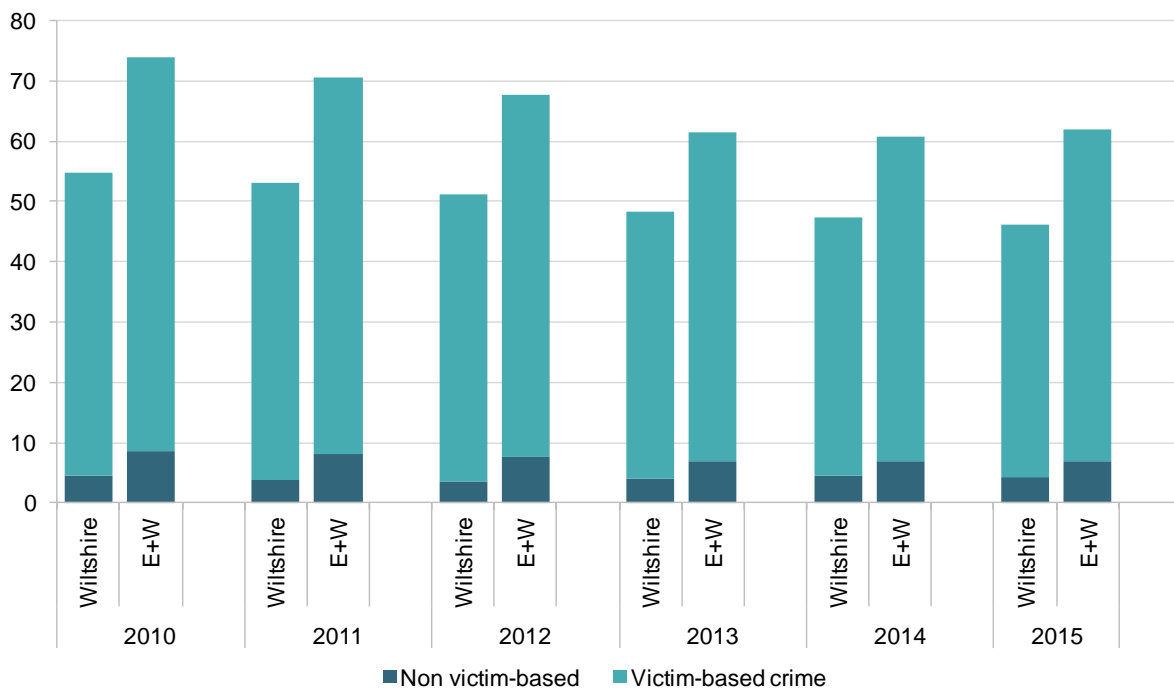
To assess the force's response to public demand, HMIC considered police recorded crime figures and rates in Wiltshire; victim satisfaction levels; and whether the force is using different ways to communicate and engage with the public.

Although police recorded crime is by no means a complete measure of the totality of demand a force faces, it does provide a comparable performance indicator across all forces. Crime rates are reported as a number of crimes per 1,000 population in each force area to enable comparison between areas. Total 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 Wiltshire had a victim-based crime rate of 41.8 and a non-victim-based crime rate of 4.2 per 1,000 population. This represents a decrease (17 percent) in the victim-based crime rate and a decrease (5 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 police recorded crime rate of 55.2 and 6.9 per 1,000 population respectively. This represents a decrease in both crime rates of 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 Wiltshire 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 Wiltshire, 83.8 percent³ were satisfied with their whole experience with the police in the 12 months to 31 March 2015. This is in line with the national victim satisfaction rate of 83.8 percent⁴ 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 Wiltshire.

Currently the force strategic assessment clearly identifies the threats, risk and harm that the force must address. This picture is built up from intelligence and information gathered by the police from its own systems, partner organisations, extensive

³ Wiltshire, confidence interval +/- 2.4 percent.

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

consultation with the public and the priorities set by government and the police and crime commissioner. This information enables the force to make evidence-based decisions on how to meet existing and future demand through efficient tasking and co-ordination processes.

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

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

<u>Are the following communication channels being used by the Force?</u>	
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

The force does evaluate performance and is moving away from a target-driven culture to one where performance is monitored, reported on, and action taken as and when required. The performance framework has broadened considerably from previous crime-based targets to include information on sickness, complaints, finance and addressing risk to the public. Around 400 indicators are tracked and senior managers feel that this enables a more strategic view of force priorities and a clearer focus on what is important and when intervention is required. However, there was a view from some of the workforce that a target-driven performance culture still exists at a local level.

How well is the force managing demand?

The force has a clear, real-time approach to managing demand with systems and processes in place to analyse and support decision-making.

Within the force control room there appear to be sufficient resources available to meet calls for service and ongoing demand. The alignment of response shifts and control room shifts was seen as a positive development and assisted in managing demand. There was clear evidence of a structure to manage calls from the public with staff trained and in place to resolve appropriate issues over the phone, including referral to the most appropriate local public sector organisation if this was required.

During the inspection, HMIC found that the daily management meeting was attended by the right people, chaired by a superintendent with a set agenda that based deployment decisions on the level of threat, risk or harm.

The STOP project has improved the force's understanding of how demand comes into and flows through the organisation. This has led to a new operating model being piloted in Trowbridge from September 2015. This model has based its staffing numbers on the analysis of the level and type of demand the force faces. This operating model will then be further trialled in the Swindon district, which will enable the force to assess if the proposed operating model is viable in the geographic areas that have the highest policing demand within the force. It is expected that this will provide the force with an operating model for the future that will be able to provide a policing service that meets public needs and expectations.

Wiltshire Police are collaborating with other forces and organisations in the south west area to enable them to manage demand better and improve efficiency. At present, joint ventures include major crime with Avon and Somerset Constabulary; and IT, estates, co-location, and change and project management with Wiltshire Council.

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

The force has good arrangements for monitoring costs and outputs, with regular budget and performance meetings with chief officers including the assistant chief officer lead for finance. Its Strategic Information Board (SIB) draws on information and data from outside the organisation, including a detailed analysis of the HMIC value for money (VFM) profiles, to assist the force in understanding the cost of activities it undertakes.

The force actively looks for value for money in its services and commissions work, including recent analytical work, to improve its understanding of how much staff abstractions cost the force.

The force uses data from its VFM profiles to make decisions. This includes a recent decision by the force to remove the ranks of chief superintendent, chief inspector and police staff equivalents.

The force has also undertaken far broader exercises as part of the south west region to look at collaborative working and further opportunities to collaborate such as a potential strategic alliance with Avon and Somerset Constabulary.

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

HMIC found genuine enthusiasm in the force to look at new ways of working, there has been extensive investment in mobile technology and a commitment to mobile and flexible working. A rollout of 2,000 laptops is underway and it is planned that staff and officers will also have tablets and smart phones where appropriate. This should allow remote access to relevant IT systems without having to return to police stations.

The increased use of technology is linked to the estates strategy, which is looking to reduce the number of police buildings and share more accommodation with local public sector organisations such as local councils. The force is investing in secure Wi-Fi to allow staff to work flexibly across the force estate. Many officers and staff interviewed by HMIC inspectors stated “work isn’t somewhere you go, it’s something you do”.

There were a number of examples of how new ways of working have transformed and improved the way people work. The force has invested in bicycles to allow officers to be closer to their communities, backed up with secure storage facilities and panniers to carry their mobile devices/tablets. The use of laptops and tablets has also reduced the number of times officers need to meet with victims to get statements agreed and signed. In addition, Microsoft Link video conferencing is used effectively to reduce the need for meetings, reduce travelling time and allow direct communication over secure Wi-Fi.

There are collaborations across a number of specialist policing areas with forces in the south west region including dogs and roads policing. The force has also worked with other partners including the provision of information technology (IT) with Wiltshire County Council. In 2014 it was envisaged that there would be far wider partnership with Wiltshire County Council. This has been reassessed and will now be far more limited. The force is now working on an increased strategic alliance with Avon and Somerset Constabulary which will involve approximately one third of the force budget, mainly focusing on areas that support frontline policing within back office functions.

Summary of findings



Good

The force has a good understanding of the demands on its services with efficient processes for deploying its resources, dependant on the level of threat, risk and harm faced by victims.

The force has a clear structure and processes in place to allocate resources both in the long term and on a day-to-day basis. There are sufficient levels of trained staff to manage calls for service, and resolve calls without the deployment of front line officers.

Some concern was raised by staff that police inspectors in the force were not fully engaged and did not always understand the rationale for changes to the allocation of staff or day-to-day redeployment across the force.

The force has completed a thorough analysis of demand (through its STOP project). In September 2015 it is commencing a pilot of a new operating model to meet local policing demand.

Performance is well managed, based on the quality of service provided with a clear understanding of this from senior managers and many staff. However, there was evidence of an inconsistent approach taken across the force by some managers and supervisors.

The force is collaborating, with other south west region police forces and with other agencies such as the Wiltshire County Council to further reduce costs and maintain services.

How sustainable and affordable is the workforce model?

HMIC examined how Wiltshire 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. Also, we 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?

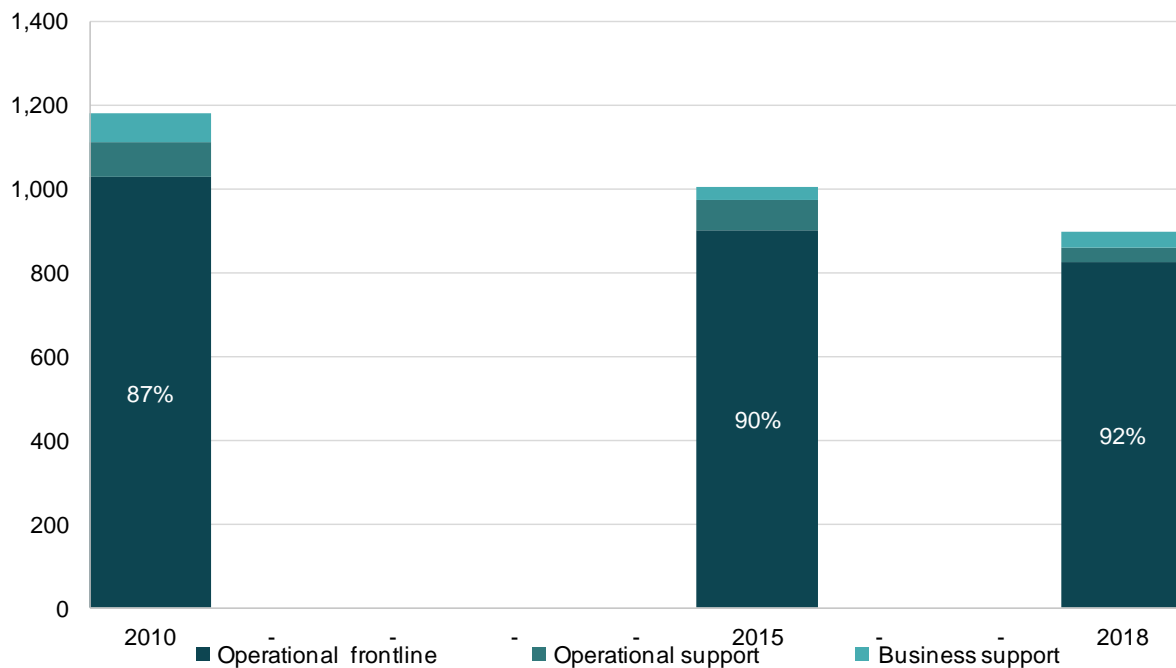
Wiltshire Police forecasted a total savings requirement over the first four years of the spending review (2011/12 to 2014/15) of £16.8m, the equivalent of 14 percent of the 2010/11 gross revenue expenditure for the force. Savings were made in both the pay and non-pay budgets. Since 2010, Wiltshire police has seen a reduction of 166 police officers, 135 staff and 8 PCSOs, full-time equivalent (FTE).

The current workforce model⁵, introduced in 2011, enables resources to be directed towards achieving the main priorities in the police and crime plan. The model responds well to the demand on its services from the public. As police officer numbers have reduced to match budget cuts during this spending review period, the force has sought to maintain the proportion of staff in frontline roles and has reduced staff in back office functions wherever possible.

There have been reductions in the total number of police officers (FTE) over the period 2010 to 2015, as shown in figure 3 on the following page. During this period the proportion in frontline roles has increased from 87 percent in 2010 to 90 percent in 2015. The force expects to increase this proportion looking ahead to 2018.

⁵ Workforce model – the way in which the workforce is organised; in the case of the police, it includes police officers, even though they are holders of the office of constable and therefore not employees of their police forces; it also includes police community support officers and police staff.

Figure 3: Actual and planned changes to police officer full time equivalents (FTE) in operational frontline, operational support and business support roles in Wiltshire 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

In most cases the current workforce model matches demand on its services, as well as organisational and financial requirements. There is a force resource management board that manages the allocation of the entire workforce. A finance officer sits on this board to provide advice and support that ensures the financial perspective and budget requirements are considered when resources are moved to meet demand.

Police officer and police staff numbers are based on expected retirements and leavers, and anticipated recruitment. The numbers are kept under review and can be adjusted as appropriate.

The force recognises that it must look and plan ahead. It has used the analysis of demand on its services from the STOP project to introduce a pilot scheme for a new operating model to provide local policing services.

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 Wiltshire 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	1,181	-14%	-12%	1,015	-11%	-6%	899
Police Staff	1,013	-13%	-19%	877	-21%	-6%	690
PCSOs	137	-6%	-27%	129	-9%	-11%	118
Workforce total	2,331	-13%	-15%	2,021	-16%	-6%	1,707

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 pilot workforce operating model that started in September 2015 has been based on a thorough examination of the demand and workflow across the force, in particular within the Trowbridge policing area. The force's plan is to extend this pilot to one of its busiest policing areas to test the efficiency and effectiveness of the model further before making a final decision whether to roll it out fully across the force.

The force has not yet developed a detailed operating model and workforce plan for future years. The force intend that future plans will be informed by the results of the STOP project, the pilot operating model and the developing strategic alliance with Avon and Somerset Constabulary.

The force estimates that there could be a 20 percent reduction in local policing costs from the STOP approach and a potential saving of around 15 percent or £6 million from the strategic alliance. The impact of this on officer and staff numbers has not yet been worked through, although the force has allocated £1.4m of reserves to allow recruitment to continue and provide a financial buffer where there could be costs to account for such as redundancy. It will be important for the force to focus on the skills and capability of its workforce, including those it is recruiting now, in order to meet future demand more efficiently.

The savings required in 2016-17 are dependent on these projects making necessary savings, hence the recruitment plan for police officers is flexible and could be adjusted to meet a larger or smaller reduction in numbers and the force has made provision for redundancy costs.

The current position of the force does, to a certain extent, buy the force additional time to develop a detailed workforce plan. However, the significant lead in time to effectively develop the skills and capability, rather than the numbers or capacity, of its workforce means that the force should be looking to rapidly develop its plans.

Summary of findings



Good

The current workforce model is affordable and appears suitable for the demand currently experienced.

The force has a strong structure with good processes so it can make decisions about the allocation of resources to meet demand within its existing budget.

The future workforce model is not well-developed as yet and will be informed by the STOP project, including the pilot operating model, and the developing strategic alliance with Avon and Somerset Constabulary.

The force has identified the level of savings it expects to make from the introduction of the new operating model and the potential savings as the strategic alliance progresses. However, the force is not yet at a stage where it can identify what the future level and skills required of police officers and police staff will be.

A flexible approach has been taken with an allocated reserve of money set aside to enable continued recruitment of police officers and enable the force to manage costs associated with changes to workforce numbers.

The current position of the force does, to a certain extent, buy the force additional time to develop a detailed workforce plan. However, the significant lead in time to effectively develop the skills and capability, rather than the numbers or capacity, of its workforce means that the force should be looking to rapidly develop its plans.

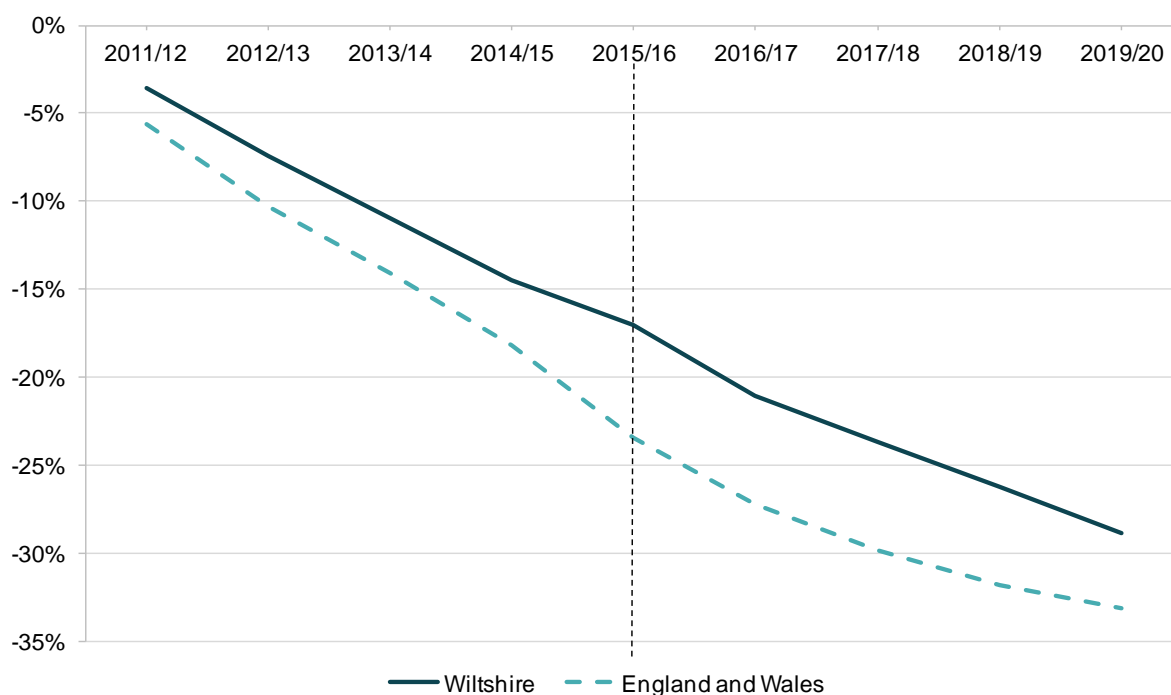
How sustainable is the force's financial position for the short and long term?

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?

Wiltshire Police forecasted savings of £16.8m over the first four years of the spending review (2011/12 to 2014/15), the equivalent of 14 percent of the 2010/11 gross revenue expenditure for the force. Over the period, savings were made in both the pay and non-pay budgets, so as to balance budgets by 2014/15. Over the same period all forces across England and Wales forecast a total savings of £2.53bn, the equivalent of 18.2 percent of the 2010/11 gross revenue expenditure for England and Wales.

Figure 5: Estimated change in expenditure from 2011/12 to 2014/15, and forecast planned savings for 2015/16 to 2019/20, against the 2010 gross revenue expenditure baseline for Wiltshire 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 requirements and balanced the budget for the spending review period.

Wiltshire is one of the lowest cost forces in England and Wales so the challenges it faces to balance its budget and meet its commitments to the public are harder to achieve.

The savings achieved up to 2014/15 under the force’s Vision programme amounted to £13.5 million with a further £1.5 million saved in other areas. In this period the force was also able to put additional finances into its reserves.

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

Wiltshire Police has planned a balanced budget of £107m for 2015/16, which includes a cut in spending of £3m. It is forecast that the reduction will be split between £2.5m from the pay budget (83 percent) and £0.5m (17 percent) from the non-pay budget in this year's savings. The force plans to meet its reduction in spend without using reserves. Since the 2010 baseline, at the start of the spending review, this represents savings of 17 percent.

The force has already achieved savings of £1.6m for the 2015/16 year. There is a small risk identified around the delivery of two projects, the strategic IT work with Wiltshire County Council and the re-structuring of enquiry offices, amounting to £410,000. The force has been diligent in identifying and assessing the risk associated with these projects and will develop contingency plans if necessary.

In total Wiltshire Police has saved £16.8 million since 2010 and by the end of the 2015/16 year it is forecast that this total will have risen to £19.8m.

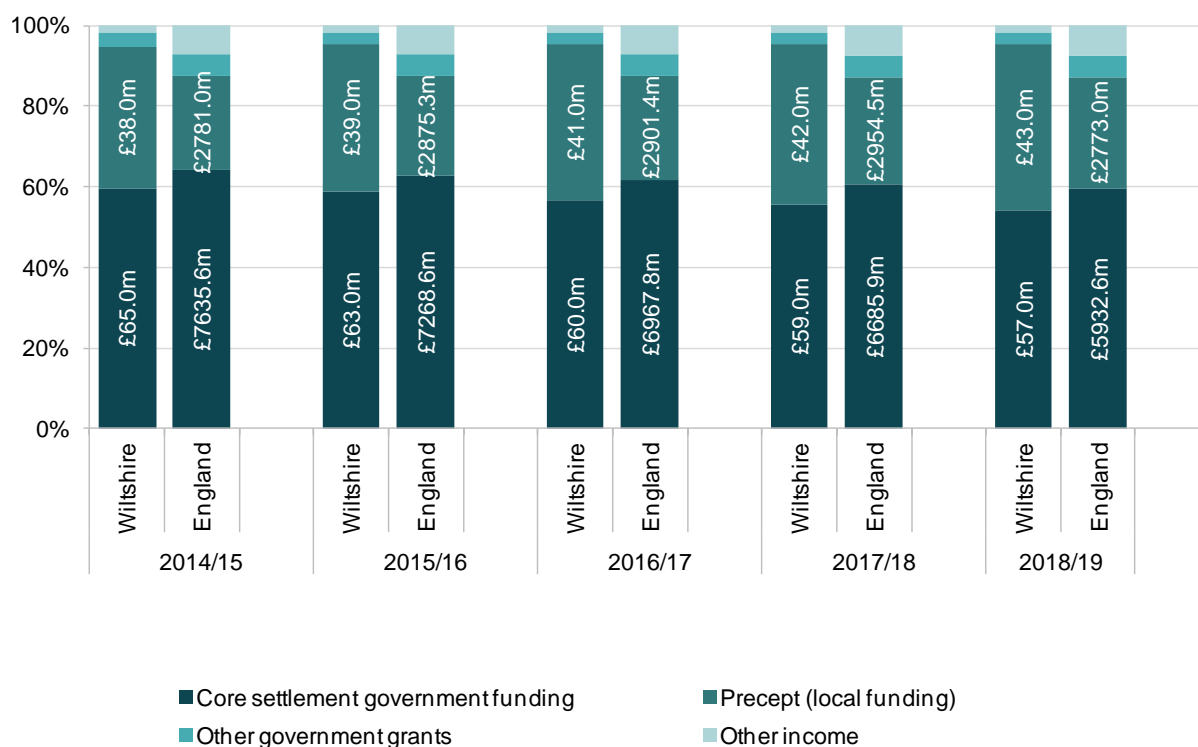
How well has the force maximised other funding opportunities?

Figure 6, on the following page, 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.

Wiltshire 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 the 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 Wiltshire 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

It is clear that the force looks for other funding opportunities and is prepared to work with others to reduce costs and maximise the opportunities to deliver more efficient ways of working.

The force have made two successful bids to the Police Innovation Fund related to the force’s ‘single view of the customer’ project which is designed to reduce demand, avoid duplication and provide an improved service.

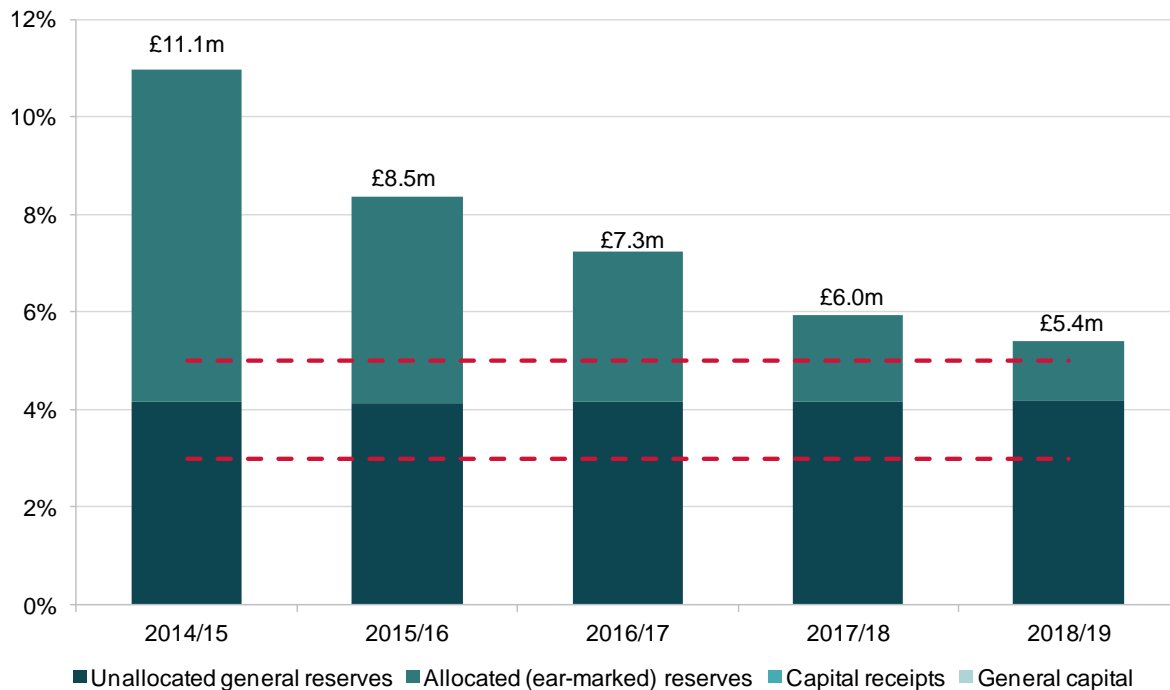
How well does the force control expenditure?

The force’s level of reserves and how these are forecast to change over time is shown in figure 7 on the following page. Wiltshire Police reported that its total reserves were £11.1m 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 effective financial control in place with an assistant chief officer (ACO) leading how its budgets are managed. The force operates a system of devolved financial management with budgets allocated to local managers with support and advice from nominated individuals within a central team of finance staff.

Budgets are regularly scrutinised for opportunities to release savings, reallocate funds and the ACO finance meets budget holders quarterly. The force has a budget book published on the intranet providing information and guidance to budget holders.

The force general reserves are set at four percent of the overall budget and there is clear control and direction over the allocation of any other reserves that are allocated for a specific function, process, and project or spend.

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

The force's plans are fully aligned with the police and crime commissioner's (PCC's) police and crime plan. The force ACO finance is also the head of finance for the PCC. This ensures there are the same financial assumptions made and the same information is shared, which works well for both the force and the PCC.

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

As the office of the police and crime commissioner (OPCC) and the force share a chief finance officer all information, assumptions and reports are common between both organisations. The assumptions used for planning purposes are reasonable and it has been agreed that the force will not develop detailed plans beyond the next two years, pending better financial information becoming available from government.

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

Wiltshire Police will be required to make savings of between £3.3 and £5.4 million in 2016-17, depending on whether the government funds the increased National Insurance costs arising from the 2013 Pensions Bill, and a further £3.9 million in 2017-18.

Plans are underway to identify savings but these are not yet fully developed. Outline plans for £2.5 million of savings in each of the next two years depend to a great extent on the proposed strategic alliance with Avon and Somerset Constabulary and the implementation of the findings of the STOP project. Both of these are at an early stage and the force has put in place processes to assess the progress, identify issues and assess if the necessary savings will be realised. Wiltshire Police's ambition is to continue to make the required savings and continue to protect the provision of local policing without reducing the quality of service it provides.

Summary of findings



Good

Wiltshire Police has a strong record of achieving the savings required under the spending review and demonstrates effective financial management.

The force has set a balanced budget for 2015/2016 with identified savings some of which have already been realised.

Finances have been secured from two successful bids from the Police Innovation Fund and the force actively seeks out other funding sources.

There is effective financial control in place with devolved budget holders who are supported by the force finance department. There are regular meetings between budget holders and the finance department to review financial performance, identify gaps or savings and adjust budgets appropriately.

The force's assistant chief officer finance is also the finance officer for the police and crime commissioner and has good oversight and governance of both strategic and day-to-day financial management. This arrangement also ensures information is shared and the force works closely with the office of the police and crime commissioner providing timely, relevant information and using shared assumptions to develop financial planning.

The force has a strong understanding of its current financial position and the likely future financial position. It has identified savings for 2015/2016 and beyond this by the implementation of a new operating model and development of the strategic alliance with Avon and Somerset Constabulary.

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,⁶ 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.

⁶*Striking a balance: Improving councils' decision making on reserves*, Audit Commission, December 2012. Available from <http://webarchive.nationalarchives.gov.uk>