



Inspecting policing  
in the public interest

## **Cleveland Police's response to the funding challenge**

**July 2013**

# Contents

|   |           |
|---|-----------|
| <b>Cleveland Police: Executive summary</b>  | <b>3</b>  |
| <b>The challenge</b>  | <b>5</b>  |
| Progress in making savings: Years 1–2   | 5         |
| Plans for Year 3–4  | 5         |
| Looking beyond the current spending review  | 5         |
| The scale of the challenge in Cleveland   | 6         |
| Demand  | 6         |
| How difficult is the challenge?   | 6         |
| <b>Response to the challenge</b>  | <b>7</b>  |
| Changes to workforce numbers  | 7         |
| Changes to the proportion of workforce on the front line                            | 7         |
| Collaboration   | 9         |
| Managing change   | 10        |
| How is the force engaging police officers, PCSOs and staff in the change programme? | 10        |
| How effective has the response been?  | 10        |
| <b>Impact of the changes on the public</b>  | <b>11</b> |
| Visibility  | 11        |
| Calls for service   | 12        |
| Crime   | 12        |
| Victim satisfaction surveys   | 13        |
| Changes to how the public can access services                                       | 13        |
| <b>Conclusion</b>   | <b>14</b> |

# Cleveland Police: Executive summary

Cleveland Police faces a larger financial challenge than other forces. During a significant period of considerable change and instability within the command structure, the force has worked hard to deliver savings and minimise any potential negative impact on service delivery and performance.

Cleveland Police has made good progress in meeting its financial challenge and has developed a detailed change programme which will allow it to reduce costs while continuing to protect frontline crime fighting roles. However, it is less advanced in developing new structures and ways of working based on a reduced workforce.

HMIC considers that Cleveland Police is on track to meet its savings requirement.

## Financial challenge

Cleveland Police has identified that it needs to save £28.1m over the four years of the spending review (i.e. between March 2011 and March 2015).

As a proportion of its overall budget (19%) this savings requirement is greater than that of most other forces. However, as Cleveland Police spends more on policing than other forces and has higher police officer costs there are opportunities for reducing costs in line with others.

A number of Cleveland's functions are provided by a private sector organisation – Steria. Further savings from these areas must be negotiated and agreed and so may be more difficult to achieve than where the functions are solely under the control of the force.

## Progress in making savings

Cleveland Police has planned how it will save £27.5m, it therefore still has £0.5m<sup>1</sup> to find. This represents a small part of the force's expenditure and the force expects this gap to be closed over the remaining two years of the spending review.

## Changes to the workforce

All forces spend most of their money on staff costs (such as wages and overtime), and so have focused on reducing this expenditure in order to cut costs.<sup>2</sup> Cleveland Police is no exception.

It is reducing police officer numbers by limiting recruitment and holding vacancies; as a result, by the end of the spending review period, it is planned that there will be 325 fewer police officers in the Cleveland Police. This means the number of police officers

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<sup>1</sup> The amounts to save may not add to the total due to rounding.

<sup>2</sup> See *Adapting to Austerity*, HMIC, London, July 2011, p.13. Available from [www.hmic.gov.uk](http://www.hmic.gov.uk).

is planned to reduce by 19% between March 2010<sup>3</sup> and March 2015; this is a greater reduction than in most other forces.

There is evidence that Cleveland Police is successfully protecting frontline posts as it makes these cuts: between March 2010 and March 2015, the proportion of police officers in frontline crime-fighting roles is planned to increase from 87% to 91%. This compares to an overall increase across England and Wales from 89% to 93%.

The force has also made some police staff redundant and not replaced others as they have left (e.g. through retirements and resignations) as a result, by the end of the spending review period, there will be 496 fewer police staff in the force. This means the number of police staff is planned to reduce by 70% between March 2010 and March 2015. This is higher than most other forces but is mainly due to many business support and operational functions now being provided through a contract, rather than by staff employed by Cleveland Police. Cleveland plans to reduce the number of police community support officers (PCSOs) by 27 or 14% which is fewer in most other forces.

## **Impact on the public**

HMIC expects forces to make savings without damaging the service provided to the public. We monitor whether they are achieving this by examining crime rates and the results of the victim satisfaction surveys which all forces conduct.

Over the first two years of the spending review, recorded crime<sup>4</sup> (excluding fraud) fell by 8%, which is less than the figure for England and Wales (13%). Victim satisfaction with the service provided is 82.9%<sup>5</sup> which is lower than for other forces.

## **Future challenges**

Cleveland has a detailed change programme to provide greater efficiency in the way it provides policing, as well as providing savings. HMIC considers that the force has a well managed change programme and is on target to meet their savings requirement.

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3 We use 2010 as our baseline as many forces started to make staff reductions in anticipation of the spending review.

4 Crime excluding fraud, as per the new crime classifications released in July 2013 by the Office for National Statistics.

5 ± 1.6%.

## The challenge

Over the four years of the spending review (March 2011 to March 2015), Cleveland Police identified that it needed to find savings of £28.1m, which equates to 19% of its total expenditure,<sup>6</sup> (which in 2012/13 was £138m or £137m excluding Police Authority expenditure). Across England and Wales a 17% reduction in total expenditure is required.

### Progress in making savings: Years 1–2

The force successfully made 60% (£16.9m) of the total savings required by March 2015 in the first two years of the spending review period. It achieved this by: not recruiting any new police officers; reducing the number of police staff it employs (which it started to do in 2010); and deciding to outsource a number of frontline, operational and business support functions.

### Plans for Year 3–4

The force has plans in place to achieve further savings of £7.5m in 2013/14, and another £3.1m in 2014/15. This leaves a funding gap of £0.5m<sup>7</sup> which we expect will be closed over spending review period.

Cleveland is changing its geographical policing model to a functional one<sup>8</sup>. This makes for a more efficient use of staff and allows a smaller number of people to provide the same functions. The Chief Constable has made a commitment to preserve police officer numbers in frontline posts and under this new functional operating model (to be fully implemented by July 2014) the force will reduce management numbers, to achieve the required savings.

### Looking beyond the current spending review

The force has started to consider what savings it might need to make after March 2015. Future savings plans are wide-ranging and include further changes relating to workforce modernisation, the operating model and the estate.

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6 Based on a gross expenditure baseline in 2010/11.

7 Figures may not add up to the total due to rounding.

8 Moving away from policing being undertaken within area boundaries to providing a particular policing function across the force e.g. officers who respond to calls from the public are not constrained to a particular area, rather the nearest available officers will respond.

## The scale of the challenge in Cleveland

Although Cleveland Police faces a larger financial challenge than other forces, there are opportunities to reduce costs, this is because:

- it spends more per head of population than most other forces in England and Wales;
- it has a higher number of police officers per head of population than most other forces in England and Wales;
- the cost of police officers per head is higher than most other forces in England and Wales; while
- the cost of police staff is lower than most other forces in England and Wales, this is not directly comparable to other forces due to Cleveland's outsourcing of functions.

## Demand

Forces face different levels of demand for the service they provide to the public. This section looks at three of the key indicators of demand to provide an overall impression of the challenges each force faces:

- the number of calls the force receives from the public;
- the number of crimes the force deals with; and
- the number of prosecutions (suspects charged with offences) the force brings.

| <b>12 months to March 2013</b>                    | <b>Cleveland Police</b> | <b>England and Wales</b> |
|---|-------------------------|--------------------------|
| Emergency and priority calls per 1,000 population | 262                     | 134                      |
| Victim-based crime per 1,000 population           | 62.4                    | 54.5                     |
| Prosecutions (charges) per 1,000 population       | 17.3                    | 10.2                     |

In 2012/13 Cleveland Police received considerably more emergency calls from the public than other forces. It dealt with more crimes per head of population than other forces in England and Wales, and supported more prosecutions than elsewhere.

## How difficult is the challenge?

HMIC considers that Cleveland Police faces a particularly difficult challenge as it has a larger savings requirement than most other forces and has higher levels of demand on its services.

Cleveland receives a greater proportion of its funding from government grant than other forces and as this grant. As this is cut over the spending review period the impact for Cleveland is considerably greater than those forces that have the benefit of a greater proportion of their income coming from the money they receive through council tax.

## Response to the challenge

Forces deliver their response to the savings requirement through a change programme. Because over 80% of a police budget (on average) is spent on staff costs,<sup>9</sup> it is not surprising that the change programmes of forces across England and Wales, plan to achieve most of their savings by reducing the number of police officers, police community support officers (PCSOs) and police staff employed.

Cleveland Police is no exception. It made an early start on this in 2010, when it slowed its recruitment of new police officers, and retired officers who had reached 30 years service. It also slowed recruitment and reduced the number of police staff by not replacing those who left.

### Changes to workforce numbers

The following table shows the force's planned changes to workforce numbers over the spending review period and compares these to the change for England and Wales.<sup>10</sup>

|                 | 31 March 2010 (baseline) | 31 March 2015 | Change      | Cleveland change % | Change for England and Wales % |
|-----------------|--------------------------|---------------|-------------|--------------------|--------------------------------|
| Police Officers | 1,724                    | 1,399         | -325        | -19%               | -11%                           |
| Police Staff    | 711                      | 215           | -496        | -70%               | -16%                           |
| PCSOs           | 193                      | 166           | -27         | -14%               | -17%                           |
| <b>Total</b>    | <b>2,629</b>             | <b>1,780</b>  | <b>-849</b> | <b>-32%</b>        | <b>-13%</b>                    |
| Specials        | 238                      | 200           | -38         | -16%               | +60%                           |

Overall, the table shows that Cleveland Police plans to lose more officers and police staff than in other forces. Although it will lose a higher number of police staff, this is partly due to the transfer of staff through outsourcing some policing functions to Steria.

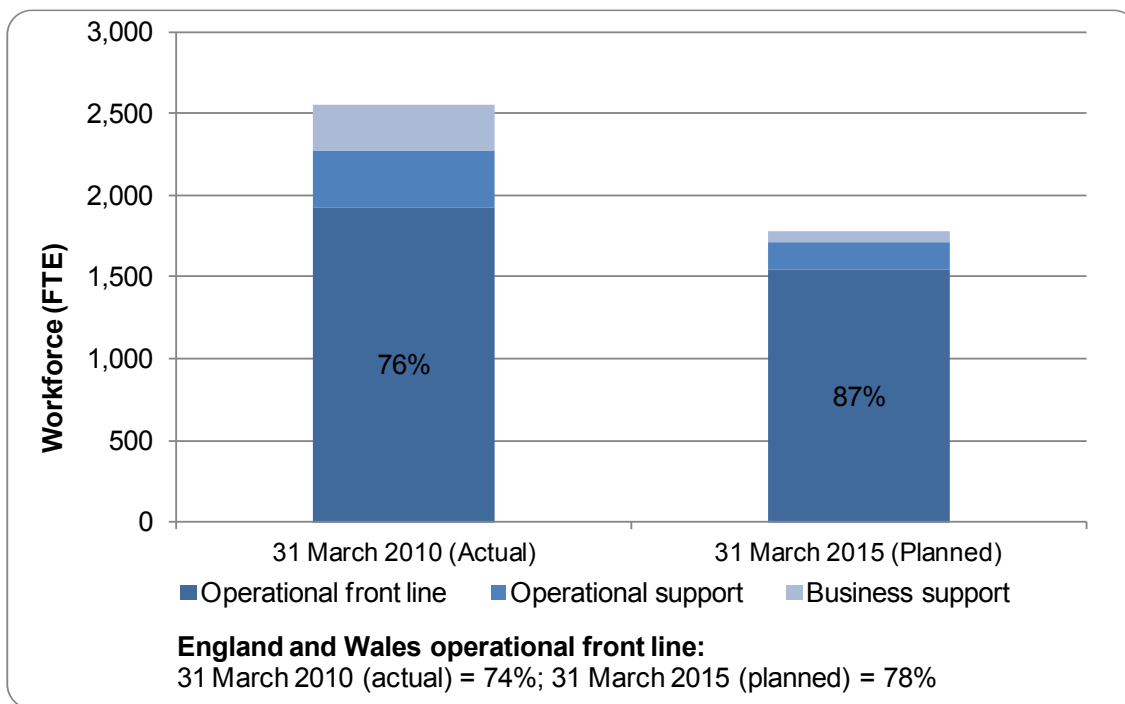
### Changes to the proportion of workforce on the front line

HMIC defines the people who work on the police front line as: *“those who are in everyday contact with the public and who directly intervene to keep people safe and enforce the law”*. It is important that as forces reconfigure their structures and reduce workforce **numbers**, they focus on maintaining (or if possible increasing) the **proportion** of people in these crime-fighting roles.

<sup>9</sup> See *Adapting to Austerity*, HMIC, London, July 2011, p.13. Available from [www.hmic.gov.uk](http://www.hmic.gov.uk).

<sup>10</sup> Workforce figures for March 2010 show the actual number of people working for the force in permanent posts on the 31 March in that year. People on long-term absences (such as maternity leave) are included in these 'actual' figures, but vacant posts are not. Workforce projections for March 2015 are for budgeted posts, so the actual number of people who will be working for the force at that point in reality may be different, because some posts will be vacant or filled by temporary staff. Forces' projections may also exclude people who will be on long-term absences. The difference between actual workforce numbers and projected numbers should therefore be taken as an approximate expected change.

The following chart shows the change in the workforce frontline profile in Cleveland Police.<sup>11</sup>



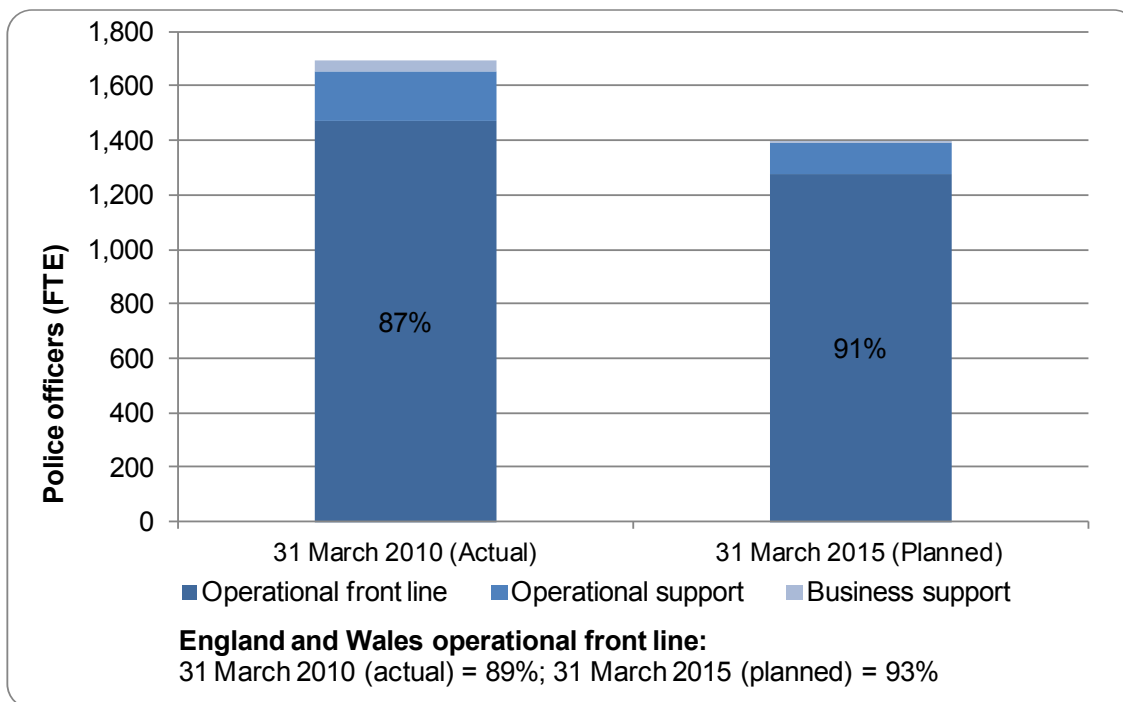
The **number** of officers, PCSOs and staff (i.e. of the force’s total workforce) working on Cleveland’s front line is planned to reduce by 20% between March 2010 and March 2015 (from 1,931 to 1,544).

Over the same period, the **proportion** of Cleveland’s total workforce allocated to frontline roles is planned to increase from 76% to 87%. This compares with an overall increase across England and Wales from 74% to 78%.

The **number** of Cleveland’s police officers in frontline roles is planned to reduce by 13% from 1,470 in March 2010 to 1,280 in March 2015, as the chart on the next page shows. The **proportion** of those remaining on the front line is planned to increase from 87% to 91%. This compares to an overall increase across England and Wales from 89% to 93%.

<sup>11</sup> From 2010, Gwent, the Metropolitan Police Service, Wiltshire and North Wales police forces chose to code those officers and staff who are on long-term absence from duty due to maternity/paternity leave, career break, full-time education or suspension, and those on long-term leave, to their normal working role. This has the effect of inflating their workforce and frontline figures by up to 1% compared to other forces.





## Collaboration

HMIC monitors a force's progress on collaboration<sup>12</sup> because it offers the opportunity to deliver efficient, effective policing and help achieve savings.

HMIC found that the force has pursued collaborative opportunities at a local, regional and national level which has resulted in a number of policing services being delivered in collaboration with other forces or organisations. Examples include working in partnership with Northumbria Police and Durham Constabulary.

In 2010 Cleveland entered a major contract to provide a range of business support and operational functions. Under the contract, Steria is responsible for providing the force with: call handling; support for the preparation of criminal case files; and shared business services covering finance, human resources, payroll, commissioning and fleet management functions.

The contract will operate for ten years and is currently in its third year. Over the period of the spending review the contract is expected to deliver £5m per annum in savings as well as providing enhanced IT, such as the STORM command and control system and an obligation for continuous improvement in the use of technology systems.

The force is currently exploring opportunities for further joint work with Northumbria Police and Durham Constabulary. This could deliver lower costs for the forces as well as provide a better service to the communities of the three counties.

In 2014/15 the force expects to spend 23% of its total expenditure on collaboration and is due to many of its functions being outsourced. This is much higher than the 11% figure for England and Wales.

<sup>12</sup> HMIC defines collaboration as "all activity where two or more parties work together to achieve a common goal, which includes inter force activity and collaboration with the public and private sectors, including outsourcing and business partnering".

## Managing change

Reductions in police budgets have inevitably led to a shrinking workforce. HMIC expects forces also to have an eye within their change programmes on the longer term transformation<sup>13</sup> which can help maintain or improve the service they offer to the public and prepare for future funding reductions.

The force is making the reductions through a programme of change that will restructure the force; drive efficiencies through transformation of the estate; and deliver savings through outsourcing. The 'ORBIS' project is the force's programme for redesigning the operating model to deliver with reduced staff numbers while providing a more efficient and effective service. The new force operating model will be fully implemented by July 2014, and is based on a functional command model which will replace the existing four district command units.

The existing change programme and savings plans were assessed as both achievable and realistic. The plans contain sufficient detail and appropriate oversight and scrutiny to ensure delivery of the savings within the current spending review.

## How is the force engaging police officers, PCSOs and staff in the change programme?

The force has recognised good engagement with staff as a priority in successfully delivering change. Staff associations and the federation receive regular briefings from the chief officer team in relation to the change process and cite the relationship with the new Chief Constable as being excellent, providing examples of where they have been able to positively add value to the proposed changes.

During focus groups, officers acknowledged the efforts made to engage with them, including workshops and focus groups, but felt that they did not have time to participate and therefore lacked a detailed understanding of the change programme.

Recognising the importance of effective leadership for achieving sustained service delivery and change the force is developing a leadership programme for senior officers and staff.

As Cleveland Police plans for future change this would be an opportunity to revisit how it continues to engage and communicate with staff on the challenges that lie ahead.

## How effective has the response been?

Cleveland Police has a good track record of delivery and we expect the force to meet its savings challenge. With the appointment of the new Chief Constable the force is now able to set a vision for the future to shape the change during the remainder of the spending review as well as prepare for future funding reductions.

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<sup>13</sup> Transformation is a process of radical change that orientates an organisation in a new direction and takes it to an entirely different level of effectiveness. It implies a fundamental change of character, with little or no resemblance to the past configuration or structure.

# Impact of the changes on the public

The challenge for forces is not just to save money and reduce their workforce numbers, but to ensure the choices they make in deciding how to achieve this do not have a negative impact on the service they provide to their communities. HMIC therefore looked for evidence that the force has kept a consideration of the effect on the public at the heart of their choices.

## Visibility

The work done by police officers and staff in visible roles (such as officers who respond to 999 calls, deal with serious road traffic collisions or patrol in neighbourhoods) represents only a part of the policing picture. Chief constables need to allocate resources to many other functions in order to protect the public, such as counter terrorism, serious and organised crime, and child protection (to name just three).

That being said, research shows that the public value seeing visible police officers on patrol in the streets, and that those who see police in uniform at least once a week are more likely to have confidence in their local force.<sup>14</sup> HMIC therefore examined how far the changes being implemented by the force had affected the visibility of the police on the streets of Cleveland.

In 2013, Cleveland Police allocated 59% of its police officers to visible roles. This is three percentage points more than it allocated in 2010, and is higher than the figure for most other forces (which was 54% across England and Wales).

Police visibility is further enhanced by PCSOs who principally support community policing. Looking at the proportion of police officers and PCSOs, the force allocates 63% to visible roles. This is also three percentage points higher than it allocated in 2010 and greater than the 59% figure for England and Wales.

HMIC conducted a survey<sup>15</sup> of the public across England and Wales to assess whether the public had noticed any difference in the way their area is being policed. Of those people surveyed in Cleveland, 10%<sup>16</sup> said that they have seen a police officer more often than they had 12 months ago; this is broadly in line with the 13% average across all survey respondents in England and Wales.

Of those people surveyed, 78%<sup>17</sup> said they felt either as safe or safer in the areas where they live compared with two years ago. This is broadly in line with the figure for most other forces which is 75%.

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<sup>14</sup> See *Demanding Times*, HMIC, London, 2011. Available from [www.hmic.gov.uk](http://www.hmic.gov.uk).

<sup>15</sup> A YouGov survey was carried out during a four-week period during March 2013. Satisfaction and confidence surveys are also carried out at a national level by the Crime Survey of England and Wales. These use larger sample sizes and are carried out quarterly over a rolling-year period. Some forces also carry out their own surveys of the general public. More information can be found at [www.crimesurvey.co.uk](http://www.crimesurvey.co.uk), [www.hmic.gov.uk](http://www.hmic.gov.uk) or from force websites.

<sup>16</sup> ± 5%.

<sup>17</sup> ± 5%.

## **Calls for service**

HMIC examined whether Cleveland Police was taking longer to respond to calls for help, as a result of its workforce reductions and other changes designed to save money. Forces are not required to set response times or targets and are free to determine their own arrangements for monitoring attendance to calls so information between forces is not comparable.

In the three years from 2010, Cleveland Police had maintained the same target response time of within 10 minutes for calls classed as 'emergency' (locally known as priority zero) in an urban setting and within 20 minutes for calls classed as 'emergency' in a rural setting. Over the same period, calls classed as a 'priority' (locally known as priority 1) had a target response time of within 60 minutes.

Over that period, the force met its target response time for urban 'emergency' calls 90% of the time in 2010/11 and 2011/12, and 89% of the time in 2012/2013. The force also met its target response time for rural 'emergency' calls 97% of the time across 2010/11, 2011/12 and 2012/13.

For 'priority' calls, the force met its target 75% of the time in 2010/11, 72% of the time in 2011/12 and 70% of the time in 2012/13.

Cleveland has maintained a high target response for 'emergency' calls but attendance at 'priority' calls has seen a slight decline. As the force moves to a new operating model with force wide, rather than geographical deployments, we would anticipate this decline will be addressed.

## **Crime**

In 2010 the Home Secretary, Theresa May, set a clear priority for the police service to reduce crime.

Between 2010/11 and 2012/13 (the first two years of the spending review), Cleveland Police reduced recorded crime (excluding fraud) by 8% compared with 13% in England and Wales. Compared to other forces, this was among the lowest reductions seen over the period. Over this period, victim-based crime (that is, crimes where there is a direct victim – an individual, a group, or an organisation) reduced by 6% compared with 12% in England and Wales.

By looking at how many crimes occur per head of population we can see how safe it is for the public in that police area. The table on the next page shows crime and anti-social behaviour rates in Cleveland (per head of population) compared with the rest of England and Wales.

| <b>12 months to March 2013</b>  | <b>Rate per 1,000 population in Cleveland</b> | <b>England and Wales rate per 1,000 population</b> |
|---------------------------------|---|--|
| Crimes (excluding fraud)        | 69.8  | 61.4   |
| Victim-based crime              | 62.4  | 54.5   |
| Burglary                        | 8.3   | 8.2  |
| Violence against the person     | 11.8  | 10.6   |
| Anti-social behaviour incidents | 70.9  | 40.7   |

It is important that crimes are effectively investigated and the perpetrator identified and brought to justice. When sufficient evidence is available to say who has committed a crime, it can be described as detected.

The force's sanction detection<sup>18</sup> rate (for crimes excluding fraud) for the 12 months to March 2013 is 37.7%. This is above the England and Wales sanction detection rate of 27.0%.

We have chosen these types of crime to give an indication of offending levels in Cleveland. For information on the frequency of other kinds of crimes in your area, go to [www.hmic.gov.uk/crime-and-policing-comparator](http://www.hmic.gov.uk/crime-and-policing-comparator).

## Victim satisfaction surveys

An important measure on the impact of changes to service delivery for the public is how satisfied victims are with the overall service they receive when they seek police assistance.

In the 12 months to March 2013, 82.9%<sup>19</sup> of victims were satisfied with the overall service provided by Cleveland Police. This is lower than the England and Wales figure of 84.6%.<sup>20</sup>

## Changes to how the public can access services

Forces are exploring different ways in which the public can access policing services. Over the spending review period Cleveland Police is planning to maintain its number of front counters<sup>21</sup> at 15 and plans to have one shared access point.<sup>22</sup>

HMIC found evidence that the force is improving the quality of interaction with the public at point of first contact, and is reintroducing police officers into the call handling centre to provide direct and immediate advice to members of the public.

They are also making more use of the internet and social media to communicate with the public and developing different mechanisms for the public to contact the police.

<sup>18</sup> A sanction detection is a 'solved crime' where a suspect has been identified and notified as being responsible for committing that crime and what the full implications of this are, and has received an official sanction. Official sanctions include charges, cautions, penalty notices, offences taken into consideration (TICs) and cannabis warnings.

<sup>19</sup> ± 1.6%.

<sup>20</sup> ± 0.2%.

<sup>21</sup> A police building open to the general public to obtain face-to-face access to police services.

<sup>22</sup> A non-police building open to the general public to obtain face-to-face access to police services. For example, shared facilities with council services (e.g. libraries or offices), the fire service or other partners.

## Conclusion

Cleveland has a detailed change programme to provide greater efficiency in the way it provides policing, as well as providing savings. The force has been at the forefront of some innovative and constructive collaboration arrangements, including a major partnership with the private sector.

Although Cleveland is now implementing a major change in the structures for delivering local policing this has come later than we have seen elsewhere. This programme has now been given greater impetus with the appointment of the new Chief Constable. HMIC saw a real desire to progress the required change and deliver an operating model that is supported by reduced workforce numbers, but retains the focuses on crime fighting and service delivery.

HMIC considers that the force has a well-managed change programme and is on target to meet their savings requirement.

In October 2010, the Government announced that central funding to the Police Service in England and Wales would reduce by 20% in the four years between March 2011 and March 2015.

HMIC's Valuing the Police Programme has tracked how forces are planning to make savings to meet this budget demand each year since summer 2011. This report identifies what we found in this third year.

Our inspection focused on three questions:

1. How is the force responding to the budget reduction?
2. What is the impact for the workforce and the public?
3. How is the force managing current and future risks?

To answer these questions, we collected data and plans from forces, surveyed the public to see if they had noticed any changes in the service they receive from the police as a result of the cuts, and conducted in-force inspections. We also interviewed the Chief Constable, Police and Crime Commissioner and the chief officer leads for finance, change, human resources and performance in each force, and held focus groups with staff and other officers.

National findings and patterns across all 43 forces are given in our thematic report, *Policing in Austerity: Rising to the Challenge*, which is available from [www.hmic.gov.uk](http://www.hmic.gov.uk).

This report provides the findings for Cleveland Police.