



Inspecting policing  
in the public interest

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

**July 2013**

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# Gwent Police: Executive summary

Gwent Police faces a difficult challenge. While it has higher than average funding per head of population it has a mixed geography with pockets of high demand in urban areas; and as a small force it has limited opportunities for economies of scale. Nevertheless, it has developed a detailed change programme to reduce costs while continuing to fight crime.

The recent departure of the Chief Constable brings a level of instability at a critical time for the force. HMIC needs reassurance that this will not create a leadership gap at a time when the force is managing change and developing its future to prepare for continuing austerity and provide safer communities for the people of Gwent.

## Financial challenge

Gwent Police has identified that it needs to save £23.5m over the four years of the spending review (i.e. between March 2011 and March 2015).

As a proportion of its overall budget (17%), this savings requirement is broadly in line with most other forces. However, HMIC considers that Gwent Police faces a challenging policing area with concentrated areas of demand and dispersed communities in rural areas.

## Progress in making savings

Gwent Police has planned how it will save £22.9m. It therefore has £0.6m<sup>1</sup> to find. The force had no firm plans for how this will be bridged but its experience in achieving the savings thus far means that it expects to fill the gap by overachieving on its existing savings plan and under-spending in the remaining two years.

## 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> Gwent Police is no exception.

The force is reducing police officer numbers by limiting recruitment and holding vacancies; as a result, by the end of the spending review period, there is projected to be 88 fewer police officers in the force. This means the number of police officers it planned to reduce by 6% between March 2010<sup>3</sup> and March 2015; this is a smaller reduction than in most other forces.

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1 The amounts to save may not add up to the total due to rounding.

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

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

Gwent Police will be broadly 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 decrease from 93% to 92%. This compares to an overall increase across England and Wales from 89% to 93%. However, the force benefits from an extra 101 (full time equivalent) community support officers (CSOs) funded by the Welsh Government-funded community support officers.

The force has also made some police staff redundant and not replaced others as they have left (e.g. through retirements and resignations); and as a result, by the end of the spending review period, there will be 111 fewer police staff in the force. This means the number of police staff will reduce by 14% between March 2010 and March 2015, although this is less than in most other forces. Gwent Police plans to increase the number of CSOs by 72%, compared to a reduction 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 24%, which is considerably higher than the figure for England and Wales (13%). Victim satisfaction remains high at 81.4%,<sup>5</sup> although this is lower than in other forces.

## **Future challenges**

Gwent 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 fight crime.

The recent resignation of the Chief Constable brings an element of instability at an important time for the force. A leadership gap may impact on preparations for future budget reductions and force performance.

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4 Crime excluding fraud as per the new classifications release in July 2013 by the Office for National Statistics publication.

5 ± 1.9%.

# The challenge

Over the four years of the spending review (March 2011 to March 2015), Gwent Police identified that it needs to find savings of £23.5m, which equates to 17% of its total expenditure<sup>6</sup> (which in 2012/13 was £129.6m). Across England and Wales, a 17% reduction in total expenditure is required.

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

The force successfully made 74% (£17.4m) 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 carrying out a total restructure which centralised business support functions and reshaped how policing was delivered locally. The force is fully committed to maintaining the frontline. The reshaped local policing model has removed artificial boundaries between sectors or divisions so now the nearest officer will respond to calls. The force has kept the change under review and carried out some small adjustments to ensure strong continued service delivery.

## **Plans for Year 3–4**

The force has plans in place to achieve further savings of £2.3m in 2013/14, and another £3.2m in 2014/15. This leaves a funding gap of £0.6m at the end of the spending review period. The force had no firm plans for how this will be bridged but its experience in achieving the savings thus far means that it expects to fill the gap by over-achieving on its existing savings plan and under-spending in the remaining two years. Overall the force demonstrated a sound understanding of the financial challenge it faces and the capacity and capability to deliver its savings plans.

## **Looking beyond the current spending review**

The force has started to consider what savings it might need to make after March 2015, and understands the scale of the financial challenges ahead. It has assessed future savings requirements and has high level plans in place to deliver them in line within the time frame of the Police and Crime Commissioner's (PCC's) police and crime plan.

The challenge for Gwent Police in preparing for future funding pressures will be much greater if the existing savings plans are not achieved or they take longer to deliver.

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

## The scale of the challenge in Gwent Police

Gwent Police's savings requirement is broadly in line with other forces. It does have savings opportunities as its existing costs are higher than in other forces, but as small force it has limited room for manoeuvre.

- it spends more per head of the population than in most other forces in England and Wales;
- it has a higher number of officers per head of the population than in most other forces in England and Wales; and
- the cost of police officers and police staff per head of population is higher than most other forces in England and Wales.

## 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>Gwent Police</b>	<b>England and Wales</b>
Emergency and priority calls per 1,000 population	164	134
Victim-based crime per 1,000 population	51.1	54.5
Prosecutions (charges) per 1,000 population	12.1	10.2

This table shows that, in 2012/13, Gwent Police received more emergency and priority calls from the public than other forces in England and Wales. Although it had fewer crimes to deal with than other forces, it had to support more prosecutions.

## How difficult is the challenge?

While Gwent Police's savings requirement is broadly in line with other forces, it is HMIC's assessment that the force faces a difficult challenge. This is because it polices a mixed geographic area with some high demand urban locations and as a small force has more limited economies of scale.

## Response to the challenge

Forces deliver their response to the savings requirement through a change programme. Over 80% of the police budget (on average) is spent on staff costs,<sup>7</sup> and 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, community support officers (CSOs) and police staff employed.

Gwent Police is no exception. It made an early start on this in 2010, when it slowed its recruitment of new police officers and police staff, and reduced the number of police staff. The force plans to make 74% of its spending review savings requirement from its pay budget. This is broadly similar to most other forces, showing the force is bearing down on pay costs as well as on expenditure on goods and services.

### 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>8</sup>

	31 March 2010 (baseline)	31 March 2015	Change	Gwent Police change %	Change for England and Wales %
Police Officers	1,437	1,349	-88	-6%	-11%
Police Staff	810	699	-111	-14%	-16%
CSOs	143	246	+103	+72%	-17%
<b>Total</b>	<b>2,390</b>	<b>2,294</b>	<b>-96</b>	<b>-4%</b>	<b>-13%</b>
Specials	144	200	+56	+39%	+60%

Overall, the table shows that Gwent Police plans to lose fewer officers and police staff than in other forces and will considerably increase the number of CSOs (as a result of specific funding from the Welsh Government) .

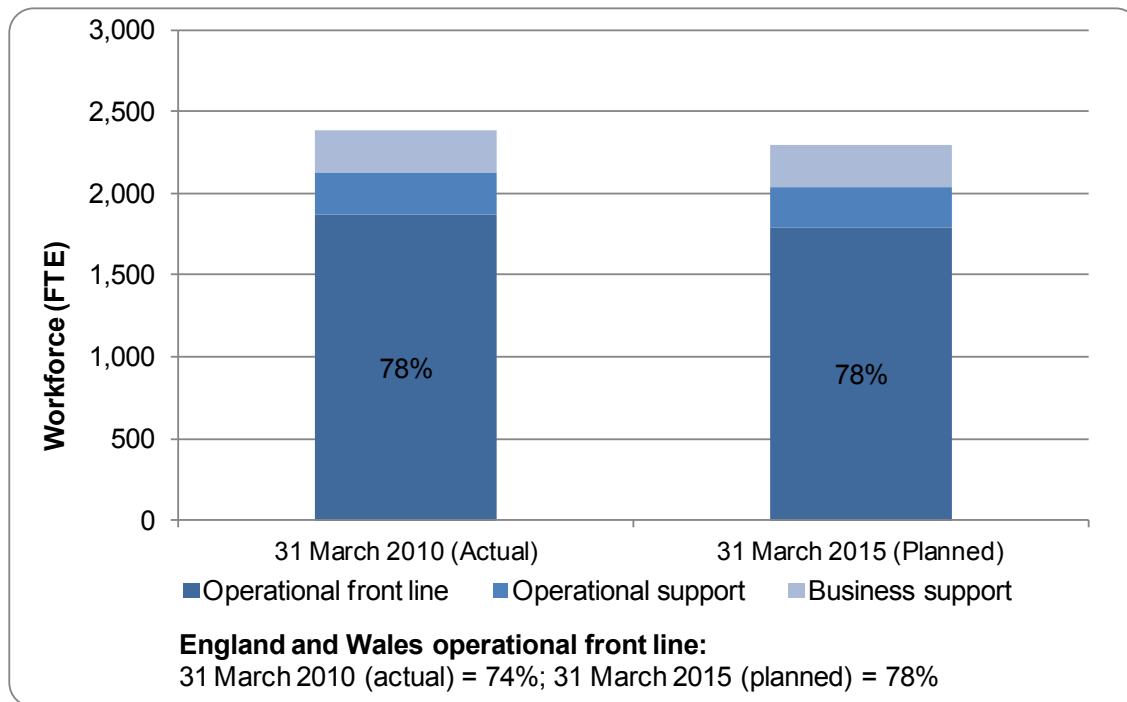
<sup>7</sup> See *Adapting to Austerity*, HMIC, London, July 2011, p.13. Available from [www.hmic.gov.uk](http://www.hmic.gov.uk).

<sup>8</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.

## 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.

The following chart shows the change in the workforce frontline profile in Gwent Police.<sup>9</sup>



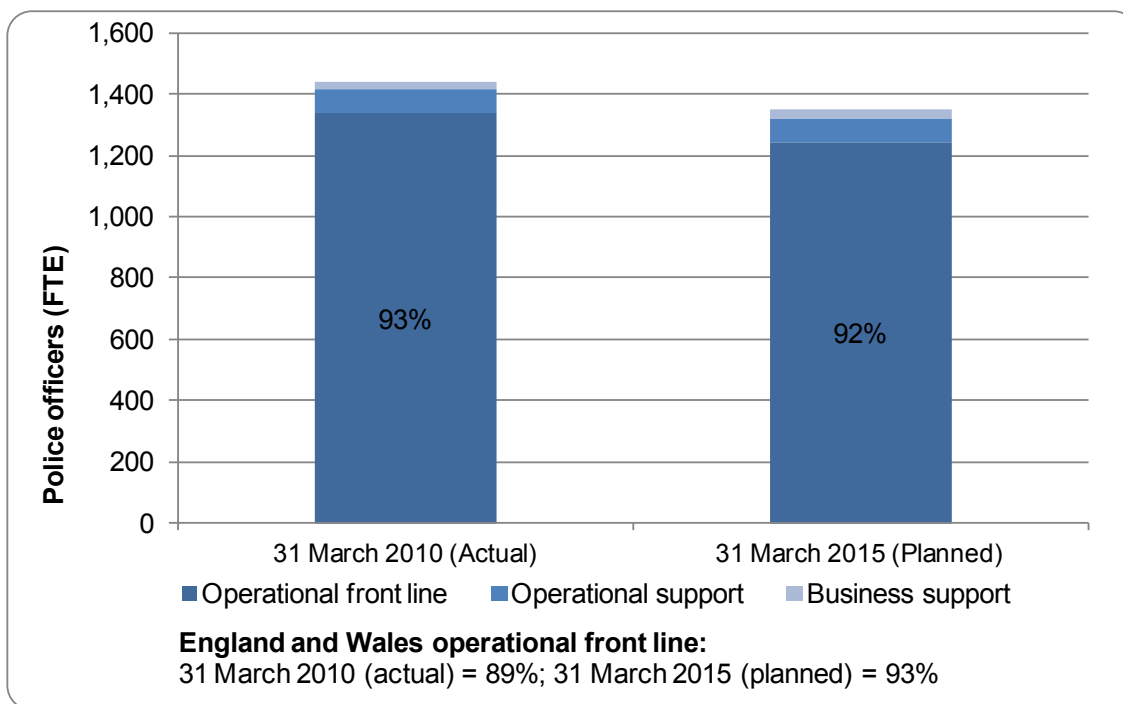
The **number** of officers, CSOs and staff (i.e. of the force’s total workforce) working on Gwent’s frontline is planned to reduce by 4% between March 2010 and March 2015 (from 1,867 to 1,789).

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

The **number** of Gwent’s police officers in frontline roles is planned to reduce by 7% from 1,336 in March 2010 to 1,241 in March 2015, as the chart on the next page shows. The **proportion** of those remaining on the frontline is planned to decrease from 93% to 92%. This compares to an overall increase across England and Wales from 89% to 93%.

<sup>9</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 forces' progress on collaboration<sup>10</sup> because it offers the opportunity to deliver efficient, effective policing and help achieve savings.

The force is adept at using collaboration and partnering to protect its communities from serious harm. The former Chief Constable championed work on domestic abuse and established a dedicated team of investigators to work with other agencies to tackle it. Demand analysis has been used to highlight the impact of when agencies fail to act effectively and appropriately, and influence partners to adopt new ways of working. Daily, virtual, multi-agency case conferences provide for more timely action and risk management. Repeat victimisation has reduced significantly. The Deputy Chief Constable (DCC) is leading work with partner agencies on the development of partnership hubs to better protect vulnerable people, which will focus initially on domestic abuse and missing persons.

The force has been pro-active in developing collaboration opportunities with other forces, particularly South Wales Police and Dyfed-Powys Police. Examples include: a joint forensic services agreement; a joint extremism and counter terrorism unit which created one special branch for the whole of Wales; Tarian, the collaborative response to serious and organised cross-border crime; and a joint firearms unit.

<sup>10</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".

There is evidence of a robust process for the development and testing of new collaboration projects to identify the operational and financial benefits and close monitoring to ensure that service improvements and projected savings are delivered. The force is not averse to private sector partnering but prefers to make and retain savings 'in house' rather than pass them on to the private sector. The PCC's approach to collaboration with the private sector will have a bearing on future direction in this respect.

In 2014/15, the force expects to spend 18% of its total expenditure on collaboration, which is considerably higher than the 11% figure for England and Wales. Overall, collaboration is expected to contribute to 11% of the force's savings requirement, which is higher than the 7% figure for England and Wales.

## **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>11</sup> which can help maintain or improve the service they offer to the public and prepare for future funding reductions.

The force anticipated the financial challenge and changed the way it delivered local policing in 2009. It moved to a single force model, with five local policing areas co-terminous with local authority boundaries. This has proved to be a more efficient and effective model of service delivery. The force has also reshaped and centralised its business support services to be more efficient. The force has worked hard to reduce the impact of staff cuts by developing new roles, retraining and redeployment. With the involvement and support of staff associations, compulsory redundancies have so far been kept to a minimum.

Some elements of the policing model are subject to further review, for example the force is comparing itself with other forces in order to reduce the number of supervisors. The expectation is that ratios of supervisors to officers/staff will increase, temporary promotions will reduce, and savings will be realised as a consequence.

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

HMIC found that the force has been open and honest with staff about the scale of the challenge. Managers described a strong connection with the chief officer group. Chief Officers reported spending time with staff to understand their concerns and motivations. Training has been provided to senior staff in the management of change, and support has been provided via the staff associations and the human resources department.

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<sup>11</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.

However, the force did not survey staff in advance of change or in its aftermath, and at the time of the inspection there were no firm plans to do so. Sickness levels are a cause for concern in respect of both officers and staff. This is being actively monitored and managed. A range of support mechanisms are in place including a health and wellbeing website and the DCC is leading the development of a health and wellbeing strategy.

Staff associations meet monthly with the Chief Constable and are involved in the change programme governance arrangements. Representatives reported a consultative approach until very recently when announcements about police staff cuts over the next two years caused some disquiet. Dialogue is continuing to clarify the position and staff associations were confident that challenges would be overcome. Interviews with staff showed they understood the need for change, and some had been involved in specific change projects, but they were less confident about their ability to engage with and influence future change. Nevertheless, officers and staff display a strong sense of pride in working for Gwent Police. The force will want to build on this to embed culture change firmly within the next phase of its change programme.

## **How effective has the response been?**

Gwent 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 fight crime.

The force identified the need to make significant savings in 2008 and introduced its change programme called "Staying Ahead", which applied a robust methodology to achieve early savings. This change programme has delivered savings totalling £37m to date.

The force has comprehensive and well established processes for chief officer oversight of the budget, workforce planning and the management of change and risks. During the course of the inspection, senior leaders showed energy and commitment to the management of change and a clear focus on performance and continuous improvement. The force maintains a strong grip on the budget and on overall staffing through the monthly resource strategy board also chaired by the DCC.

# 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 had 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>12</sup> HMIC therefore examined how far the changes being implemented by the force had affected the visibility of the police on the streets of Gwent.

In 2013, Gwent Police allocated 61% of its police officers to visible roles. This is six percentage points lower than it allocated in 2010, but is higher than the figure for most other forces (which was 54% across England and Wales).

Police visibility is further enhanced by CSOs who principally support community policing. Looking at the proportion of police officers and CSOs, Gwent Police allocated 66% to visible roles. This is four percentage points lower than it allocated in 2010 but remains much greater than the 59% figure for England and Wales.

HMIC conducted a survey<sup>13</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 Gwent, 20%<sup>14</sup> said that they have seen a police officer more often than they had 12 months ago; this is higher than the 13% from all respondents in England and Wales.

Of those people surveyed, 75%<sup>15</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>12</sup> See *Demanding Times*, HMIC, London, 2011. Available from [www.hmic.gov.uk](http://www.hmic.gov.uk).

<sup>13</sup> A YouGov survey was carried out during a 4 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>14</sup>  $\pm 5\%$ .

<sup>15</sup>  $\pm 5\%$ .

## Calls for service

HMIC examined whether police forces were taking longer to respond to calls for help, as a result of their 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.

Gwent Police no longer collects this data and we are therefore unable to assess whether the changes the force has made has affected their ability to respond promptly when called.

## 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), Gwent Police reduced recorded crime (excluding fraud) by 24% compared with 13% in England and Wales. Compared to other forces, this was among the highest 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 25%, 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 below shows crime and anti-social behaviour rates in Gwent (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 Gwent</b>	<b>England and Wales rate per 1,000 population</b>
Crimes (excluding fraud)	58.5	61.4
Victim based crime	51.1	54.5
Burglary	8.3	8.2
Violence against the person	10.1	10.6
Anti-social behaviour incidents	44.1	40.7

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

Gwent Police's sanction detection<sup>16</sup> rate (for crimes excluding fraud) for the 12 months to March 2013 is 34.2%. This is considerably higher than the England and Wales sanction detection rate of 27.0%.

<sup>16</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.

We have chosen these types of crime to give an indication of offending levels in Gwent. 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 of the impact on 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, 81.4%<sup>17</sup> of victims were satisfied with the overall service provided by Gwent Police. This is lower than the England and Wales figure of 84.6%<sup>18</sup>.

## Changes to how the public can access services

Forces are exploring different ways in which the public can access policing services. Gwent Police is planning to close 17 front counters<sup>19</sup> and 11 police stations between 2010 and 2015.

However, it is 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. Gwent Police is:

- Increasing its fleet of mobile police stations to provide more flexible access to the public and mitigate the impact of station and front counter closures.

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17 ± 1.9%.

18 ± 0.2%.

19 A police building open to the general public to obtain face-to-face access to police services.

## Conclusion

In HMIC's assessment, Gwent Police faces a more difficult challenge to save money and meet policing demands than some other forces but has made good progress in developing savings plans and a detailed change programme, which will allow it to reduce costs while continuing to fight crime.

The force started reshaping the organisation early and has embraced a significant level of change and has taken its workforce with it. However, the recent departure of the Chief Constable brings an element of instability at a critical time for the force. There is a risk that this will create a leadership gap at a time when the force needs to consolidate the delivery of the change programme over this spending review and develop a new programme of work to meet future challenges.

We will continue to monitor progress closely on implementation of Gwent Police's plans.

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 Gwent Police.