



Inspecting policing
in the public interest

Hertfordshire Constabulary's response to the funding challenge

July 2013

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Hertfordshire Constabulary: Executive summary

Hertfordshire Constabulary has a savings requirement which is broadly in line with other forces. It has responded effectively to the funding challenge thanks to its strong and well led change programme which will allow it to reduce costs while continuing to fight crime.

The force plans to have 95% of its officers in frontline roles by March 2015, one of the highest figures of all forces.

The force delivers an excellent service to the public of Hertfordshire. Crime has fallen to a much greater extent than in other forces and the force records one of the highest levels of victim satisfaction in England and Wales.

With a further round of savings to be found from March 2015, much of the force's future change, savings and workforce plans relied on extending the collaboration¹ with Bedfordshire Police and Cambridgeshire Constabulary. The Police and Crime Commissioner (PCC) has recently taken the decision that Hertfordshire Constabulary will step away from the three force collaboration and instead pursue its own solution for business support services.

While HMIC has confidence that the force is well placed for the future, the alternative approach that is now being developed in response to the PCC's decision, is as yet untested. HMIC will continue to monitor the position.

Financial challenge

Hertfordshire Constabulary has identified that it needs to save £36.9m over the four years of the spending review (i.e. between March 2011 and March 2015).

This savings requirement is broadly in line with most other forces and is 18% of its overall budget. However, HMIC considers that overall Hertfordshire Constabulary faces a moderately difficult challenge compared to other forces. It is a low cost force that spends less on policing and has lower police officer costs than other forces. Although, with higher spending on police staff and police community support officers (PCSOs) there are opportunities for Hertfordshire to seek to reduce costs in line with other forces.

Hertfordshire Constabulary financial challenge is in line with other forces. While it is a low spend and broadly low cost force there are opportunities to identify further savings, in particular where its expenditure is higher than other forces. Overall, they have a moderately difficult challenge compared to others but will still have to work hard to find the additional savings required.

¹ 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".

Progress in making savings

Hertfordshire Constabulary has planned how it will save £34.9m, it still has £2m² to find. Most other forces have worked out how they will make all the required savings. However, given the experience of the force in achieving the savings and the protective services element of its collaboration with both Bedfordshire Police and Cambridgeshire Constabulary and using reserves³ in a phased manner, HMIC expects the force to fill the gap 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.⁴ Hertfordshire Constabulary 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 will be 224 fewer police officers in Hertfordshire Constabulary. This means the number of police officers in the county is planned to reduce by 11% between March 2010⁵ and March 2015, which is a similar reduction to most other forces.

Hertfordshire Constabulary is protecting frontline posts as it makes these cuts. This is commendable. Between March 2010 and March 2015, the proportion of police officers in frontline, crime-fighting roles is planned to increase from 90% to 95%. 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. As a result, by the end of the spending review period, there will be 274 fewer police staff in Hertfordshire Constabulary. This means the number of police staff will reduce by 16% between March 2010 and March 2015; this is broadly in line with most other forces.

Hertfordshire Constabulary plans to reduce the number of PCSOs by 8%, which is smaller than that planned by most other forces.

2 The amount to save may not add up to the total due to rounding.

3 Reserves are funds often used to pay for unforeseen events and balance liabilities.

4 See *Adapting to Austerity*, HMIC, London, July 2011, p.13. Available from www.hmic.gov.uk.

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

Impact on the public

HMIC expects the force to make savings without damaging the policing service that the people of Hertfordshire receive. We monitor whether forces are achieving this by looking at crime rates, and the results of the victim satisfaction surveys which all forces conduct.

Over the first two years of the spending review, recorded crime⁶ (excluding fraud) rates fell by 20%. This is a very good outcome as it is considerably greater than the 13% reduction recorded across England and Wales as a whole. Victim satisfaction remains high at 88.8%⁷ which is higher than in most forces.

Future challenges

Hertfordshire Constabulary has made good progress in meeting its financial challenge. The force is well positioned to meet future savings requirements while maintaining good performance. The financial position of the force has meant some areas (local policing particularly) are relatively untouched.

Future savings plans hinged on further collaboration with Bedfordshire Police and Cambridgeshire Constabulary as well as private sector partnering (outsourcing) of business support office functions. The plans to take forward the business support functions on a three force collaboration basis have now been shelved. HMIC will wish to be satisfied that the decision does not impact adversely on the efficiency and effectiveness of policing in Hertfordshire. We will continue to monitor the position.

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

7 \pm 1.3%.

The challenge

Over the four years of the spending review Hertfordshire Constabulary identified that it needs to find savings of £36.9m. This is 18% of its total expenditure⁸ (which in 2012/13 was £203.3m). Across England and Wales a 17% reduction in total expenditure is required.

Progress in making savings: Years 1–2

The force successfully made 57% (£21.1m) 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), some limited restructuring on how the force delivers local policing; and
- collaborating with Bedfordshire Police and Cambridgeshire Constabulary across a range of policing services, for example major crime investigation, roads policing and procurement.

Plans for Year 3–4

The force has plans in place to achieve further savings of £7.5m in 2013/14, and another £6.3m in 2014/15. This leaves a funding gap of £2m at the end of the spending review period. The outstanding gap represents a small proportion of the Hertfordshire Constabulary's overall spending. The force expects this to be closed through reviewing current processes which would create an under spend, further collaboration, the use of reserves in a phased manner, as well as the possible private sector partnering (outsourcing) of business support office functions.

Looking beyond the current spending review

The force has started to consider what savings it might need to make in the next spending review period (after March 2015); in fact the force's medium-term financial plan looks further forward to 2017/18.

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

⁸ Based on a gross expenditure baseline in 2010/11.

The scale of the challenge in Hertfordshire Constabulary

Although Hertfordshire Constabulary financial challenge is broadly in line with other forces, it will be more difficult to find additional savings in some areas because:

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

However, as the cost of police staff and PCSOs per head of population is higher than most other forces in England and Wales there may opportunities to find further efficiencies.

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.

12 months to March 2013	Hertfordshire Constabulary	England and Wales
Emergency and priority calls per 1,000 population	130	134
Victim-based crime per 1,000 population	38.5	54.5
Prosecutions (charges) per 1,000 population	8.9	10.2

This table shows that, in 2012/13, emergency and priority calls from the public received by Hertfordshire Constabulary were in line with most other forces. The force had fewer crimes per head of population to deal with and supported fewer prosecutions.

How difficult is the challenge?

Hertfordshire Constabulary financial challenge is in line with other forces. While it is a low spend and broadly low cost force there are opportunities to identify further savings, in particular where its expenditure is higher than other forces. Overall, they have a moderately difficult challenge compared to others but will still have to work hard to find the additional savings required.

Response to the challenge

Over 80% of a police budget (on average) is spent on staff costs⁹. It is therefore not surprising that forces across England and Wales plan to achieve much of their savings by reducing the number of police officers, PCSOs and police staff employed.

Hertfordshire Constabulary 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 79% of its savings from its pay budget. This is a higher proportion than in most other forces and shows that the force is bearing down on both pay as well goods and services costs.

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.¹⁰

	31 March 2010 (baseline)	31 March 2015	Change	Hertfordshire change %	Change for England and Wales %
Police Officers	2,130	1,906	-224	-11%	-11%
Police Staff	1,677	1,403	-274	-16%	-16%
PCSOs	262	241	-21	-8%	-17%
Total	4,069	3,550	-519	-13%	-13%
Specials	344	450	+106	+31%	+60%

Hertfordshire Constabulary plans to lose a similar proportion of officers and police staff to other forces. They also plan to lose a number of PCSOs, but the planned numbers are lower than in other forces.

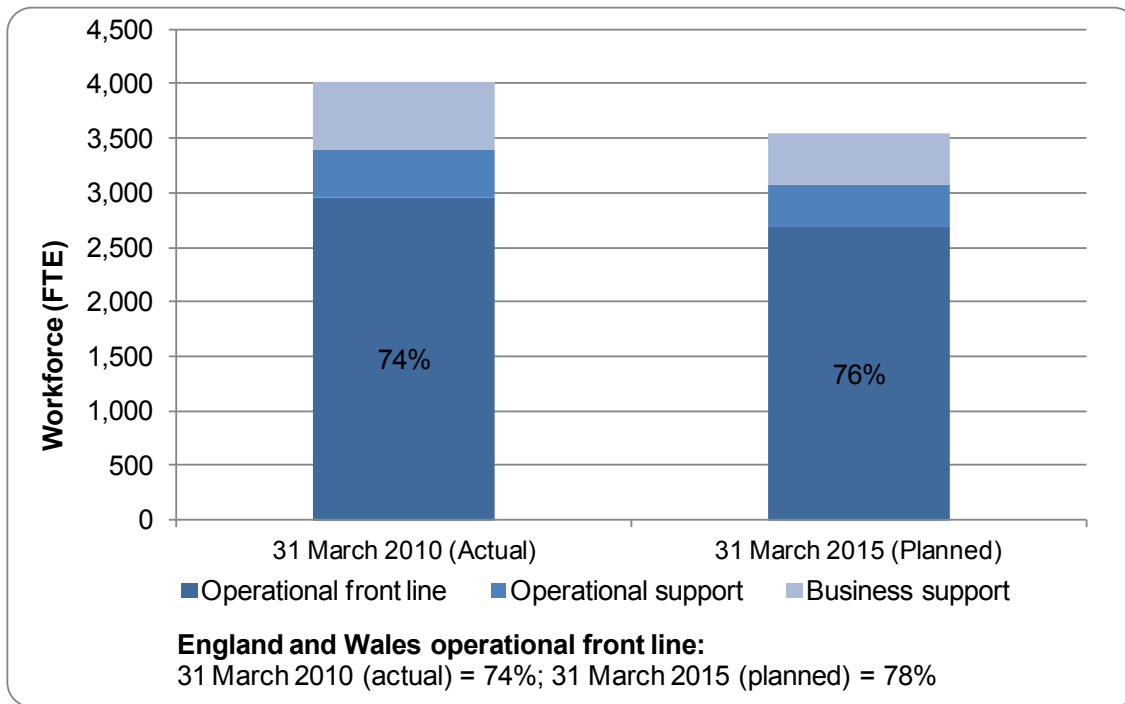
Changes to the proportion of workforce on the front line

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.

⁹ See *Adapting to Austerity*, HMIC, London, July 2011, p.13. Available from www.hmic.gov.uk.

¹⁰ 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 Hertfordshire Constabulary.¹¹



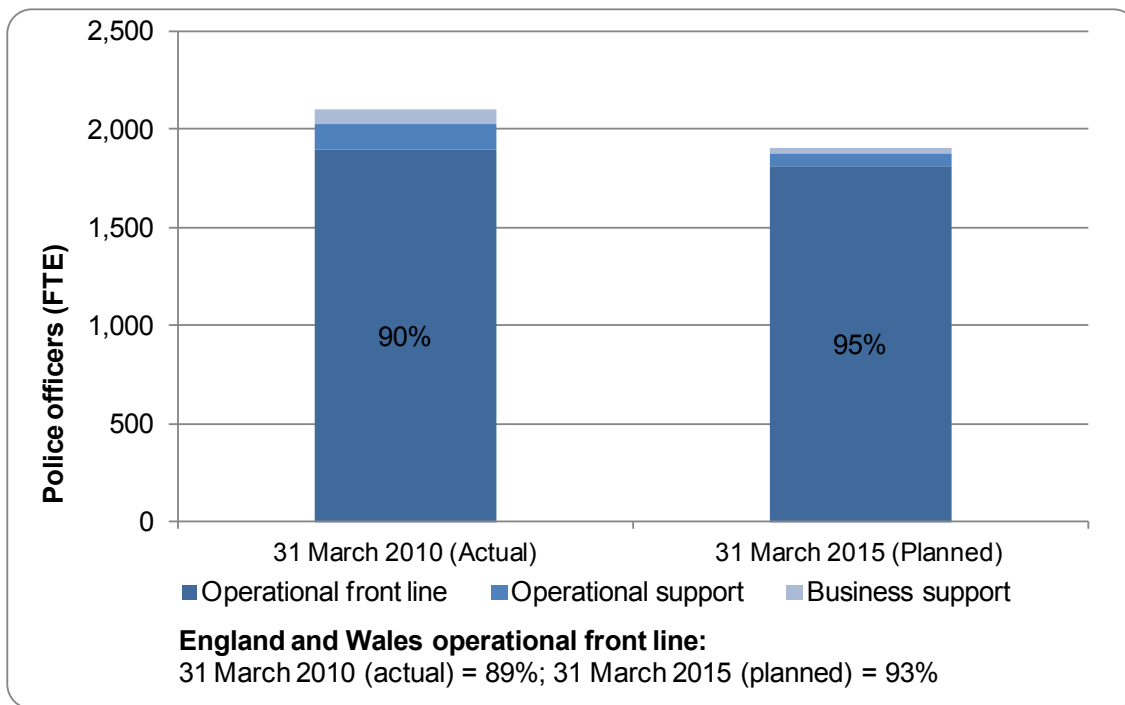
The **number** of officers, PCSOs and staff (i.e. of the force’s total workforce) working on Hertfordshire Constabulary’s front line is planned to reduce by 9% between March 2010 and March 2015 (from 2,953 to 2,689).

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

The **number** of police officers in front line roles is planned to reduce by 4% from 1,894 in March 2010 to 1,815 in March 2015, as the chart on the next page shows.

¹¹ 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.

However, the **proportion** of Hertfordshire's police officers on the front line is planned to increase from 90% to 95%. This is a strong indicator that the force is taking steps to protect vital front line officers and is higher than the increase (from 89% to 93%) that we see across England and Wales



Collaboration

HMIC monitors force's progress on collaboration¹² because it offers the opportunity to deliver efficient, effective policing and help achieve savings.

A series of decisions have been made by the force and the PCC which has led to a pause on the business support collaboration with Bedfordshire Police and Cambridgeshire Constabulary. This is to enable the force and the PCC to redefine what future collaborative and/or outsourcing arrangements it wants to pursue. However, as the force's future savings plans were heavily reliant on collaboration this has left the force in a position that it needs to develop further plans to identify where and when future savings will come from. There has been rapid progress but understandably, there is still some work to do.

There is clear enthusiasm within the force for collaboration and in house 'lean' projects (as opposed to outsourcing), from the most junior positions to the most senior officers and staff. The decision that has been made which has led to the pause on collaboration with Bedfordshire and Cambridgeshire has not been met with a positive response from Hertfordshire's staff.

¹² 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".

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 will contribute to 20% of the force's savings requirement, which is commendable. This is considerably 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 transformation¹³ which can help maintain or improve the service they offer to the public and prepare for future funding reductions.

Hertfordshire Constabulary has a strong change management capability with good overarching governance structure in place. It has established a change programme (Programme 2018) with a goal to: *“ensure that the force is able to achieve financial savings of £45 million in the four years to March 2018 while continuing to deliver an efficient and effective policing service”*.

The strategic objective of Programme 2018 is to:

- reduce the size of its organisational support function;
- rationalise the force estate to meet the operational need;
- rationalise HR practises and procedures and terms and conditions to ensure so far as is possible coherence with the three collaborating forces' units;
- reduce and subsequently stop any activity that is not consistent with the Police and Crime Plan; and
- reduce operational resources only if necessary.

The force will use cash reserves to support the change programme over the next two years. It also intends investing money in technology to support efficiency and effectiveness of both the organisational support and operational policing resources.

Financial control has been centralised and workforce decisions, for example recruitment and agency numbers, are managed through a monthly Establishment Board, which is chaired by the Deputy Chief Constable.

A well developed and incremental approach (a 'controlled descent') to change has been taken to date. The healthy financial position of the force has enabled this and has meant some areas (local policing particularly) are relatively untouched in terms of restructuring. It is acknowledged by officers and staff that this was the right approach, however, staff do feel under constant review.

¹³ 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.

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

Staff and officers are proud to work for Hertfordshire Constabulary. Staff accept the need to make savings. Staff goodwill will stand the force in good stead as it develops and delivers plans. Staff understand the need for change, and agree that everyone in the organisation has a part to play in making savings.

The workforce is well engaged albeit there is some evidence that the level of change that the force is going through is having a negative effect particularly in support staff. While there is commitment to staff engagement and consultation, there is a feeling amongst officers and staff that some communication has tailed off. The force will need to consider how it continues to engage and communicate with staff on the challenges that lie ahead.

The force has a high performing workforce and good morale despite the change programmes and uncertainty about future collaboration. There is some evidence of the difficulties of bringing together three forces in collaboration and the challenges of aligning different working cultures. Surveys of groups of staff are planned to assess their concerns. Staff are able to describe the changes the force is going through although they feel that there is room for improvement in terms of keeping staff informed.

How effective has the response been?

Hertfordshire Constabulary has made good progress in meeting their financial challenge. Its detailed change programme, when delivered, will allow the force to reduce costs while continuing to fight crime.

The force has a very good track record in delivering more than the necessary savings to date, while achieving a reduction in overall crime. The successful delivery of the new local policing model and the existing collaboration with Bedfordshire Police and Cambridgeshire Constabulary (which will remain) gives HMIC confidence that the force is capable of delivering further change.

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.¹⁴ HMIC therefore examined how far the changes being implemented by the force had affected the visibility of the police on the streets of Hertfordshire.

In 2013, Hertfordshire Constabulary allocated 58% of its police officers to visible roles. This is two percentage points lower 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 Hertfordshire Constabulary allocates 62% to visible roles. This is two percentage points higher than it allocated in 2010 and is higher than the 59% figure for England and Wales.

HMIC conducted a survey¹⁵ 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 Hertfordshire, 11%¹⁶ 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, 80%¹⁷ 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%.

¹⁴ See *Demanding Times*, HMIC, London, 2011. Available from www.hmic.gov.uk.

¹⁵ 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, www.hmic.gov.uk or from force websites.

¹⁶ ± 5%.

¹⁷ ± 5%.

Calls for service

HMIC examined whether police forces are 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. This analysis relies on the forces own data.

HMIC found that over the three years from 2010 to present, Hertfordshire Constabulary had maintained the same target response time of within 15 minutes for calls classed as 'emergency' and within 60 minutes for calls classed as 'priority'.

Over that period, the force met its target response time for 'emergency' calls 92% of the time in 2010/11 and 93% of the time in both 2011/12 and 2012/13.

In respect of 'Priority' calls, the force met its target 80% of the time in 2010/11, 76% of the time in 2011/12 and 75% of the time in 2012/13.

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) Hertfordshire Constabulary reduced crime by 20% compared to 13% in England and Wales. Compared to other forces, this is among the highest reductions seen over the period. Over the same period, victim-based crime (that is, crimes where there is a direct victim – an individual, a group, or an organisation) reduced by 21% 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 Hertfordshire (per head of population) compared with the rest of England and Wales.

12 months to March 2013	Crime rate per 1,000 population in Hertfordshire	England and Wales crime rate per 1,000 population
All Crime (excluding fraud)	45.6	61.4
Victim-based crime	38.5	54.5
Burglary	5.2	8.2
Violence against the person	7.1	10.6
Anti-social behaviour incidents	31.3	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.

Hertfordshire Constabulary's sanction detection¹⁸ rate (for crimes excluding fraud) for the 12 months to March 2013 is 37.4%. This is considerably higher than 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 Hertfordshire. For information on the frequency of other kinds of crimes in your area, go to www.hmic.gov.uk/crime-and-policing-comparator.

Victim satisfaction surveys

An important measure of 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, 88.8%¹⁹ of victims were satisfied with the overall service provided by Hertfordshire Constabulary. This is considerably higher than the England and Wales figure of 84.6%²⁰.

Changes to how the public can access services

Forces are exploring different ways in which the public can access policing services. Hertfordshire Constabulary is planning to close 25 front counters²¹ and 13 police stations between 2010 and 2015.

The force is making greater use of the internet and social media to communicate with the public. As more and more people become accustomed to engaging with large commercial and public organisations in different ways, the force too is planning to offer the public different ways to contact them. For example:

- continuing with its appointments system to program in scheduled appointments with users of the service in an efficient manner.
- developing greater use of online reporting and crime tracking

¹⁸ 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.

¹⁹ $\pm 1.3\%$.

²⁰ $\pm 0.2\%$.

²¹ A police building open to the general public to obtain face-to-face access to police services.

Conclusion

HMIC considers that Hertfordshire Constabulary faces a less difficult challenge to save money than most other forces. Due to strong leadership, excellent services to the public and robust financial management the force is in a sound position in terms of meeting the challenges of this spending review period.

The force has undertaken the necessary steps to reduce its costs, while protecting its frontline crime fighting capability.

It has responded well to meeting the financial challenges by developing a programme of change and pursuing extensive collaboration with Bedfordshire Police and Cambridgeshire Constabulary. Following the decision to no longer proceed with the business support element of programme of collaboration, the force has started to develop its plans for closing the funding gap that remains as a result. The force has made rapid progress but understandably, there is still some work to do.

We will continue to closely monitor the force's progress in implementation of Hertfordshire Constabulary's plans and in particular any impact arising from the de-coupling of some of the collaborated functions with Bedfordshire Police and Cambridgeshire Constabulary.

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.

This report provides the findings for Hertfordshire Constabulary.