



Inspecting policing
in the public interest

Metropolitan Police Service's response to the funding challenge

July 2013

Contents

Metropolitan Police Service: Executive summary	3
The challenge	5
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 for the MPS	6
Demand	6
How difficult is the challenge?	6
Response to the challenge	7
Changes to workforce numbers	7
Changes to the proportion of workforce on the front line	8
Collaboration	9
Managing change	9
How is the force engaging police officers, PCSOs and staff in the change programme?	10
How effective has the response been?	11
Impact of the changes on the public	12
Visibility	12
Calls for service	13
Crime	13
Victim satisfaction surveys	14
Changes to how the public can access services	14
Conclusion	15

Metropolitan Police Service: Executive summary

The Metropolitan Police Service has a more difficult financial challenge than many other forces, yet has developed a comprehensive change programme, which reduces costs and restructures the organisation to better fight crime.

HMIC was reassured by the level of detail that underpins the force's saving plans, and by the leadership's ability and determination to deliver change. However, given the high level of savings that are required; the fact that the MPS has only just (as a result of policing the Olympics) developed its savings plans; the size and complexity of the force; and the capital city and national challenges it faces, HMIC considers that there is still a high level of risk associated with the force delivering its change programme.

Financial challenge

The Metropolitan Police Service (MPS) has identified that it needs to save £769.4m over the four years of the spending review (i.e. between March 2011 and March 2015).

As a proportion of its overall budget (21%), this savings requirement is higher than most other forces. Therefore, HMIC considers that the MPS faces a particularly difficult challenge.

Progress in making savings

The MPS has planned how it will save £737m of the £769.4m required by March 2015. It therefore still has £32.4m¹ to find in savings. This outstanding gap is only a small proportion of the MPS's total spending and we expect it to be closed by identifying new savings and through 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.² The MPS 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, there will be 1,374 fewer police officers in the MPS. This means the number of police officers is planned to reduce by 4% between March 2010³ and March 2015; this is a smaller reduction than in most other forces.

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.

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

There is evidence that the MPS 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 is planned to increase from 86% to 93%. 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, it is planned that there will be 1,244 fewer police staff in the MPS. This means the number of police staff is planned to reduce by 9% between March 2010 and March 2015; this is a smaller reduction than 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 user satisfaction surveys which all forces conduct.

Over the first two years of the spending review, recorded crime⁴ (excluding fraud) fell by 7%, which is lower than the figure for England and Wales (13%). Victim satisfaction is 76.2%;⁵ this is considerably lower than other forces.

Future challenges

HMIC was reassured by the level of detail that underpins the MPS's saving plans, and by the leadership's ability and determination to deliver change. However, given the magnitude of the task and time available, against the incredibly challenging backdrop of policing the capital, HMIC considers the ability of the force to deliver the change presents a risk. Any further budget reductions will add to this risk.

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

5 \pm 0.7%.

The challenge

Over the four years of the spending review (March 2011 to March 2015), the MPS identified that it needed to find savings of £769.4m, which equates to 21% of its total expenditure⁶ (which in 2012/13 was £3.6bn). The figure across England and Wales is 17%.

Progress in making savings: Years 1–2

The force successfully made 51% (£389.5m) of the total savings required by March 2015 in the first two years of the spending review period, despite a period of unprecedented demands in preparing for and policing the London Olympics and Paralympics, and the Queen's Jubilee celebrations. It achieved this by limiting recruitment of new police officers; reducing the number of police staff it employs; and restructuring how the force delivers elements of its policing, e.g. by centralising human resources, finance and procurement.

Plans for Year 3–4

The force has plans in place to achieve further savings of £265.3m in 2013/14, and another £82.2 in 2014/15. This leaves a funding gap of £32.4m at the end of the spending review period. The outstanding gap represents a small proportion of the MPS's overall spending, and we would expect this to be closed by identifying new savings and through under-spending over the two remaining years.

Looking beyond the current spending review

The force has started to consider what savings it might need to make after March 2015.

In anticipation of further funding challenges, the force has undertaken analysis to understand the impact that additional budget pressures will have on its plans. It has also prepared a range of options based on financial scenarios. These outline the possible cost savings and potential financial risks, but do not describe the operational risks in detail at this stage. This prudent planning will help the MPS as it identifies how it will meet future funding challenges.

⁶ Based on gross expenditure in the baseline year of 2010/11.

The scale of the challenge for the MPS

The MPS faces a particular challenge because of the scale of the financial savings that must be made. However, there are opportunities to reduce its costs in line with other forces as:

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

12 months to March 2013	MPS	England and Wales
Emergency and priority calls per 1,000 population	131	134
Victim-based crime per 1,000 population	78.5	54.5
Prosecutions (charges) per 1,000 population	11.1	10.2

This table shows that, in 2012/13, MPS received marginally fewer emergency and priority calls from the public than most other forces. However, the MPS had more crimes per head of population, and it supported more prosecutions.

How difficult is the challenge?

It is HMIC's assessment the MPS faces a more difficult financial challenge than other forces. While its costs are higher than in other forces, it is a large complex force, with the ongoing challenge and many unique demands of policing the capital.

■ 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,⁷ 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.

The MPS 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 65% of its spending review savings requirement from its pay budget. This is a lower proportion than in most other forces and demonstrates that the force is focusing savings on non-pay spending.

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.⁸

	31 March 2010 (baseline)	31 March 2015	Change	MPS change %	Change for England and Wales %
Police Officers	33,367	31,993	-1,374	-4%	-11%
Police Staff	14,504	13,260	-1,244	-9%	-16%
PCSOs	4,645	2,136	-2,509	-54%	-17%
Total	52,515	47,389	-5,126	-10%	-13%
Specials	3,177	6,667	+3,490	+110%	+60%

Overall, the table shows that the MPS plans to lose fewer officers and police staff than in other forces; but it will lose a considerably higher number of PCSOs.

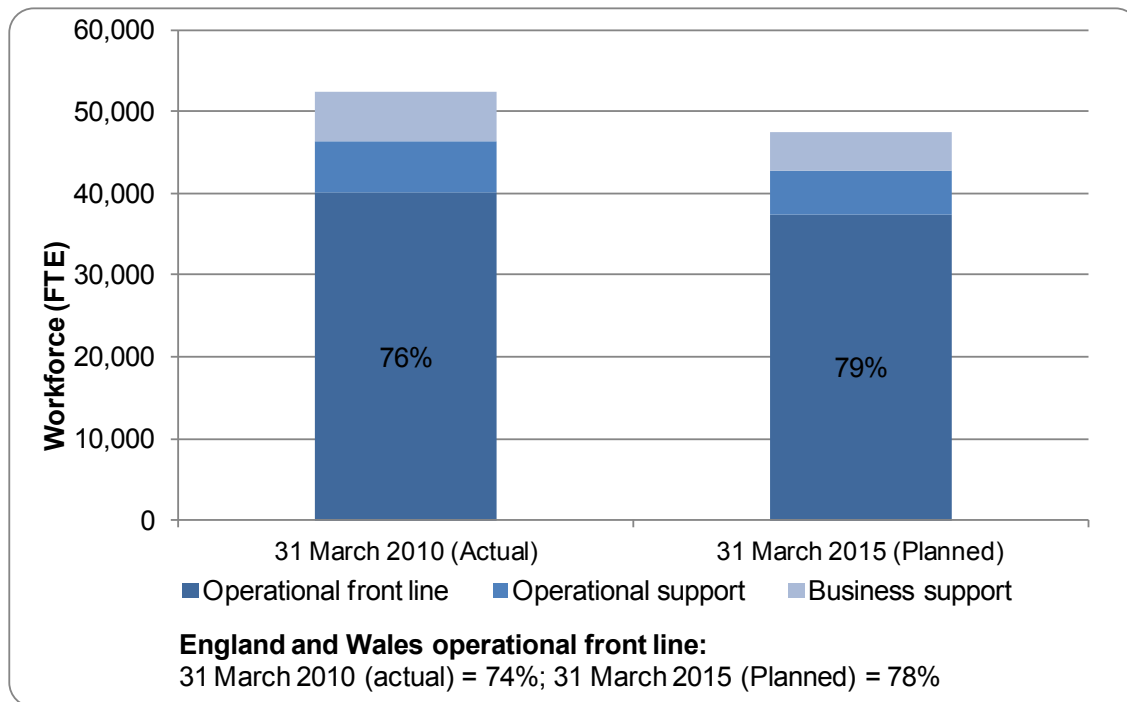
⁷ See *Adapting to Austerity*, HMIC, London, July 2011, p13. Available from www.hmic.gov.uk.

⁸ 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 MPS.⁹

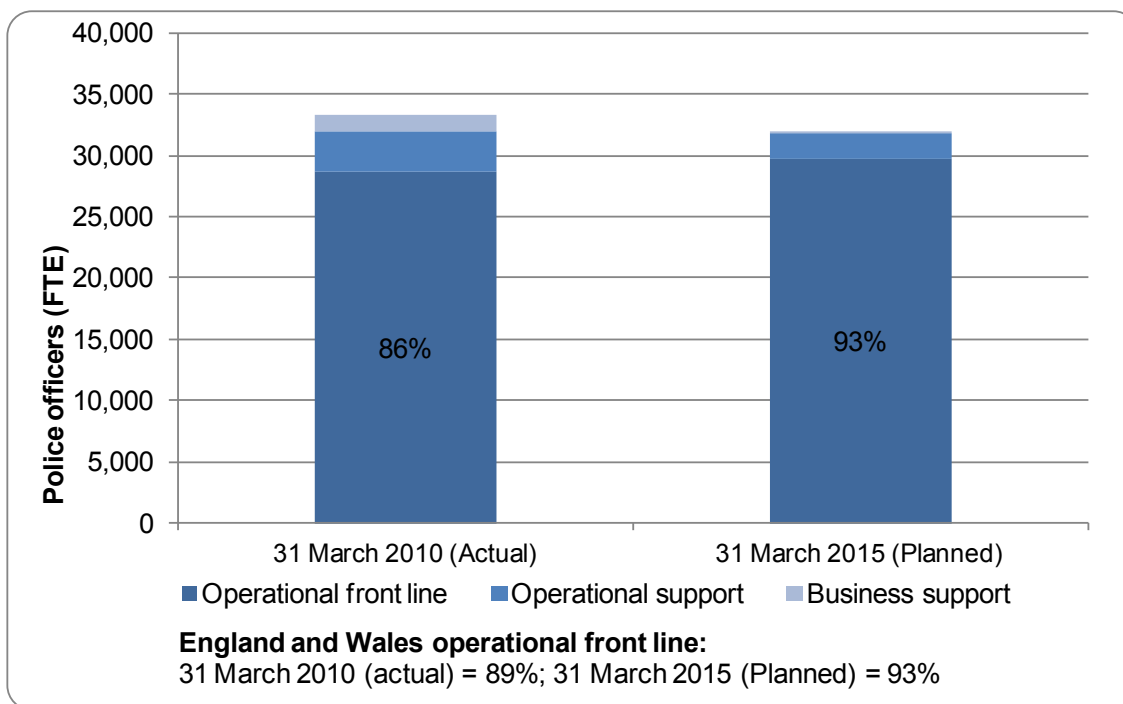


The **number** of officers, PCSOs and staff (i.e. of the force’s total workforce) working on the MPS’s frontline is projected to reduce by 6% between March 2010 and March 2015 (from 40,048 to 37,499).

Over the same period, the **proportion** of the MPS’s total workforce allocated to frontline roles is projected to increase from 76% to 79%. This compares with an overall increase across England and Wales from 74% to 78%.

The **number** of MPS’s police officers in frontline roles is planned to increase by 4%, from 28,657 in March 2010 to 29,711 in March 2015, as the chart on the next page shows. In addition, the **proportion** of those remaining on the front line is planned to increase from 86% to 93%. This compares to an overall increase across England and Wales from 89% to 93%.

⁹ 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 collaboration¹⁰ because it offers the opportunity to deliver efficient, effective policing and help achieve savings.

While the MPS works extensively with partners both strategically and locally, like many large forces, it has not entered significant collaborative arrangements with forces or others for joint delivery of policing services. The MPS does not report any savings coming from collaboration over the spending review period.

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 which can help maintain or improve the service they offer to the public and prepare for future funding reductions.

¹⁰ 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".

The Met Change programme provides the overarching structure for implementing and delivering change. Key elements of the programme include a new organisational structure – the ‘One Met Model’, which will deliver policing services in five core segments:

1. Neighbourhood Policing (Local Policing Model);
2. Pan-London Services;
3. Control Infrastructure;
4. Met HQ; and
5. Support Services.

The development of the new policing model is supported by three enabling programmes, which sit alongside the Met Change programme:

- Total Professionalism – which is leading cultural changes within the workforce;
- Corporate Real Estate – which is reviewing building requirements; and
- Met InfoTech – which is developing an overview of technology investments.

The Met Change programme will bring down costs in line with its similar forces in a range of areas; but in particular, property and technology costs will be reduced by 30% by 2016. This means having more people in fewer buildings, and focusing on investments in technology.

Longer term, the Mayor of London, through the Mayor’s Office for Policing and Crime (MOPAC) which establishes the strategic direction for the MPS, has set a challenge to reduce crime by 20%; improve public confidence by 20%; and reduce costs by 20%.

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

The MPS is going through unprecedented change. Communication and engagement with staff and their involvement and support of staff are essential to its success.

HMIC found that the MPS was committed to developing the foundations for sustainable cultural change within the workforce, which will better enable it to make future changes. The ‘Total Professionalism’ programme seeks to engage staff and bring about fundamental change to the way they approach their work (e.g. how they can contribute to change and deliver better services to the public), although it is accepted that this will not be attained quickly.

Staff reported being aware of the scale of the challenge, but their knowledge often comes from the press, and they rely on briefing from supervisors. While considerable efforts have been made to improve communication of the change programme (using newsletters, briefings, blogs and social media), this aspect of change remains a considerable challenge for such a large organisation.

The MPS regularly runs staff satisfaction surveys to identify, understand and respond to their issues, and ensures action is taken in response to findings (e.g. around trust in management).

How effective has the response been?

HMIC found that the MPS's change programme was energised with a real sense of momentum as the force accepts the need to deliver change within a condensed timeframe. This is a real challenge for the organisation but the pace of progress is evident and the commitment from all members of the force management board is clear.

The force's plans, when implemented, will not only allow the force to meet its financial challenge but also ensure its officers and staff are focused on frontline crime-fighting roles and keeping communities safe.

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.¹¹ HMIC therefore examined how far the changes being implemented by the force had affected the visibility of the police on the streets of London.

In 2013, the MPS allocated 43% of its police officers to visible roles. This is one percentage point lower than it allocated in 2010, and lower 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 MPS allocated 48% to visible roles. This is three percentage points lower than it allocated in 2010, and lower than the 59% figure for England and Wales.

HMIC conducted a survey¹² 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 the London, 19%¹³ said that they have seen a police officer more often than they had 12 months ago; this is significantly higher than the 13% average across all survey respondents in England and Wales.

Of those people surveyed, 69%¹⁴ said they felt either as safe or safer in the areas where they live, compared with two years ago. This is lower than the figure for most other forces which is 75%.

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

12 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.

13 ± 5%.

14 ± 5%.

Calls for service

HMIC examined whether MPS 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.

From 2010 to present, the MPS had the following target attendance times. In respect of calls classed as “emergency” (also known as Grade 1), in 2010/11 and 2011/12 the target was to attend 75% of such calls in 12 minutes. This changed in 2012/13 to 90% in 15 minutes.

Over that period, the force met its target response time for emergency calls: 82% of the time in 2010/11, 80% of the time in 2011/12, and 89% of the time in 2012/13.

For those calls classed as a ‘priority’ (also known as Grade 2), the target attendance time has been maintained across all three years at 80% within an hour.

The force met this target 89% of the time in 2010/11; 86% of the time in 2011/12; and 87% 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), the MPS reduced recorded crime (excluding fraud) by 7%, 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 5%, 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 recorded crime and anti-social behaviour rates in London (per head of population) compared with the rest of England and Wales.

12 months to March 2013	Rate per 1,000 population in the MPS	England and Wales rate per 1,000 population
Crimes (excluding fraud)	89.4	61.4
Victim based crime	78.5	54.5
Burglary	11.3	8.2
Violence against the person	15.3	10.6
Anti-social behaviour incidents	47.1	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.

The MPS's sanction detection rate¹⁵ (for crimes excluding fraud) for the 12 months to March 2013 was 21.8%. This is lower than the England and Wales's sanction detection rate of 27.0%.

We have chosen these types of crime to give an indication of offending levels in the MPS area. 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, 76.2%¹⁶ of victims were satisfied with the overall service provided by the Metropolitan Police Service. This is considerably lower than the England and Wales figure (84.6%).¹⁷

Changes to how the public can access services

Forces are exploring different ways in which the public can access policing services. The MPS is planning to close 66 front counters¹⁸ and 64 police stations between 2010 and 2015, and to open two shared access points.¹⁹ The MPS and MOPAC have undertaken extensive community and partnership consultation on the changes to front counter provision. The force has a clear commitment to maintaining a minimum service provision in each of London's 32 boroughs of one front counter open 24 hours a day, with other front counters open during the day and evening.

In addition, the force is making more use of the internet and social media to communicate with the public, and is developing different mechanisms for the public to contact the police. The MPS is:

- widely using social media to engage generally with communities, especially during major events;
- establishing neighbourhood teams in community locations with clear signage and branding in the form of a 'neighbourhood shop', so that they are clearly recognisable and are a presence within the heart of boroughs; and
- making neighbourhood teams more available and accessible at regular times in community locations such as libraries.

15 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.

16 $\pm 0.7\%$.

17 $\pm 0.2\%$.

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

19 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

HMIC assesses that the MPS faces a difficult task in saving money; it is a large, complex force and has the challenge of policing the capital. However, given its higher expenditure on pay and other costs, there are opportunities to deliver cost savings.

Overall, the force understands the issues facing it, and has a comprehensive and well-managed change programme in place to deliver the savings required, while minimising as far as possible the impact on frontline policing. In addition, the force has assessed future savings requirements beyond this spending review, and planned further savings to 2015/16, in line with the timeframe of the police and crime plan.

We were reassured by the level of detail that underpins the MPS's saving plans, and by the leadership's ability and determination to deliver change. There are still difficulties ahead in delivering the scale of change and savings required in the remaining two years of this period. Given the high level of savings that are required; the fact that the MPS has only just developed its savings plans, as a result of policing the Olympics; the size and complexity of the force; and the capital city and national challenges it faces, HMIC considers that there is still a high level of risk associated with the force delivering its change programme.

We will continue to monitor closely progress made in the implementation of the MPS's plans, in particular how the force will improve performance and service delivery. A further inspection will be undertaken later this year to review the ongoing achievement of the planned savings.

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 the 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 Metropolitan Police Service.