



Inspecting policing
in the **public interest**

Northumbria Police's response to the funding challenge

July 2013

Contents

Northumbria Police: Executive summary	3
The challenge	6
Progress in making savings: Years 1–2	6
Plans for Year 3–4	6
Looking beyond the current spending review	6
The scale of the challenge in Northumbria	7
Demand	7
Response to the challenge	8
Changes to workforce numbers	8
Changes to the proportion of workforce on the front line	9
Collaboration	10
Managing change	11
How is the force engaging police officers, PCSOs and staff in the change programme?	11
How effective has the response been?	12
Impact of the changes on the public	13
Visibility	13
Calls for service	14
Crime	14
Victim satisfaction surveys	15
Changes to how the public can access services	15
Conclusion	17

Northumbria Police: Executive summary

Northumbria Police has had one of the largest financial challenges to meet, compared to other forces in England and Wales. With the demands from policing both urban and rural environments and an already low spend on its workforce, in HMIC's assessment, the force faces a more difficult challenge than other forces.

The force has so far successfully reduced its spending, and utilised reserves¹ it had built up (from under spending in previous years and through prudent financial controls). The force has planned how it will save £78.0m of the £85.1m required by March 2015. It therefore still has £7.1m to find, but has a number of options to close this gap, including through the use of existing reserves.

The force is performing well by reducing and detecting more crime, as well as maintaining its high levels of victim satisfaction. This is strong evidence that the force is managing to make cuts without reducing the service it provides to the public. The Chief Constable has been able to meet the force's funding challenge while maintaining a commitment to protect visible policing services and fight crime. However, with future funding challenges, this may become more difficult; but the force is advancing its planning to achieve further savings for 2015 and beyond.

Financial challenge

Northumbria Police has identified that it needs to save £85.1m over the four years of the spending review (i.e. between March 2011 and March 2015).

As a proportion of its overall budget (24%), this savings requirement is one of the highest requirements for a force in England and Wales. HMIC considers that Northumbria Police faces a particularly difficult challenge due to the sheer scale of this requirement and its already low spending on police staff (in comparison with other forces). However, because the amount of money it spends on policing per head of population is higher than most other forces, and it has a higher number of officers and staff, there are opportunities to reduce costs and achieve savings.

Progress in making savings

Northumbria Police has planned how it will save £78.0m of the £85.1m required by March 2015. It therefore still has £7.1m to find, and the force has identified a number of options to close this gap including the use of existing financial reserves.

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

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 Northumbria Police is no exception.

The force is reducing police officer numbers by limiting recruitment and holding vacancies and, as a result, by the end of the spending review period it plans to have 643 fewer police officers. This means the number of police officers is planned to reduce by 15% between March 2010³ and March 2015, which is a greater reduction than in most other forces. However, the number of police officers as at March 2010 was temporarily inflated to 4,187, reflecting the workforce growth plan at that time (which supported the implementation of the neighbourhood policing model).

There is evidence that Northumbria 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 88% to 90%. 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 there will be 777 fewer police staff in Northumbria Police. This means the number of police staff will reduce by 37% between March 2010 and March 2015. This is a higher reduction than in most other forces. The force also plans to reduce the number of police community support officers (PCSOs) by 44 or 10%, which is fewer than in most other forces.

However, the outstanding funding gap means that the force may need to make more workforce reductions than it is currently planning.

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 crime⁴ (excluding fraud) fell by 18%, which is higher than the figure for England and Wales (13%). Victim satisfaction remains high at 91.7%,⁵ which is considerably higher than other forces.

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.

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

⁵ $\pm 1.0\%$.

Future challenges

HMIC is satisfied that Northumbria Police has made good progress in reducing its spending, and has continued to maintain strong performance. The force is in a good position, with strong leadership to continue to deliver savings while maintaining performance.

Northumbria Police benefits from additional Government funding (above its police formula allocation). This is an important part of Northumbria Police's funding and should it be removed, phased out or reduced it would have a significant impact on the force's ability to continue to deliver policing at current levels and to make future savings.

The challenge

Over the four years of the spending review (March 2011 to March 2015), Northumbria Police identified that it needs to find savings of £85.1m, which equates to 24% of its total expenditure⁶ (which in 2012/13 was £311.6m). Across England and Wales, a 17% reduction in total expenditure is required.

Progress in making savings: Years 1–2

The force successfully made 59% (£49.8m) 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 in 2010/11; reducing the number of police staff it employs (which it started to do in 2010); and restructuring how the force delivers elements of its policing, for example, by centralising the management of business support and investing in information technology to improve productivity.

Plans for Year 3–4

The force has plans in place to achieve further savings of £16.4m in 2013/14, and another £11.8m in 2014/15. This leaves an outstanding gap of £7.1m at the end of the spending review period. The force has successfully reduced its spending, and utilised reserves it had built up (from under spending in previous years through prudent financial controls). The force is finalising plans to close this gap. These include further changes relating to business transformation, strategic partnerships, custody services, and the force's buildings and estate.

Looking beyond the current spending review

The force has started to consider what savings it might need to make after March 2015. Northumbria recognises that its current commitment to protect visible policing may be increasingly challenging with the prospect of further funding reductions.

Northumbria Police benefits from additional Government funding above its police formula allocation, the long-term position of which is unclear. If it were removed or phased out, this would have a significant impact on the force's ability to continue to deliver policing at current levels and to make future savings.

The challenge for Northumbria Police in preparing for future funding pressures will be much greater if the existing savings plans are not achieved, take longer to deliver than anticipated, or if the additional Government funding is lost.

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

The scale of the challenge in Northumbria

Northumbria Police faces a considerably larger funding requirement in comparison with most other forces. However, there are opportunities to deliver further savings 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; and
- the cost of police officers per head is higher than most other forces in England and Wales.

However, it will be harder to deliver further savings from police staff, because its costs per head for police staff is lower 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.

12 months to March 2013	Northumbria Police	England and Wales
Emergency and priority calls per 1,000 population	186	134
Victim-based crime per 1,000 population	40.1	54.5
Prosecutions (charges) per 1,000 population	12.7	10.2

This table shows that, in 2012/13, Northumbria Police received more emergency and priority calls from the public. It dealt with fewer crimes than other forces but had to support more prosecutions.

Response to the challenge

Because over 80% of a police budget (on average) is spent on staff costs,⁷ it is not surprising that 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.

Northumbria Police is no exception. 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 lower than most other forces, and indicates that Northumbria Police is bearing down in particular on its non-pay budget.

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	Northumbria change %	Change for England and Wales %
Police Officers	4,187	3,544	-643	-15%	-11%
Police Staff	2,096	1,319	-777	-37%	-16%
PCSOs	438	394	-44	-10%	-17%
Total	6,721	5,257	-1,464	-22%	-13%
Specials	178	350	+172	+97%	+60%

Overall, the table shows that Northumbria Police plans to lose more officers and police staff than other forces. It will also reduce the number of PCSOs, but this loss will be less than planned in other forces. As part of the force's strategy to increase community engagement, participation and visible policing, Northumbria plans to double the number of special constables by March 2015.

However, the force's outstanding funding gap means that it may need to make more workforce reductions than are currently planned.

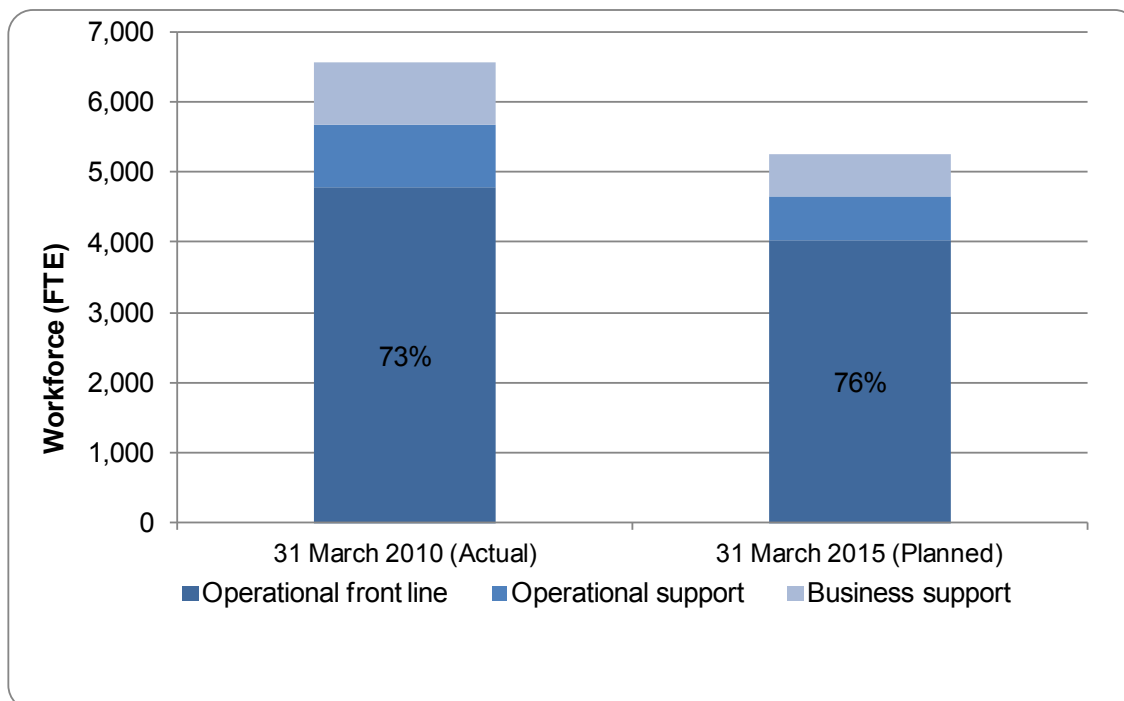
⁷ See *Adapting to Austerity*, HMIC, London, July 2011, p.13. Available from www.hmic.gov.uk.

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 Northumbria Police.⁹

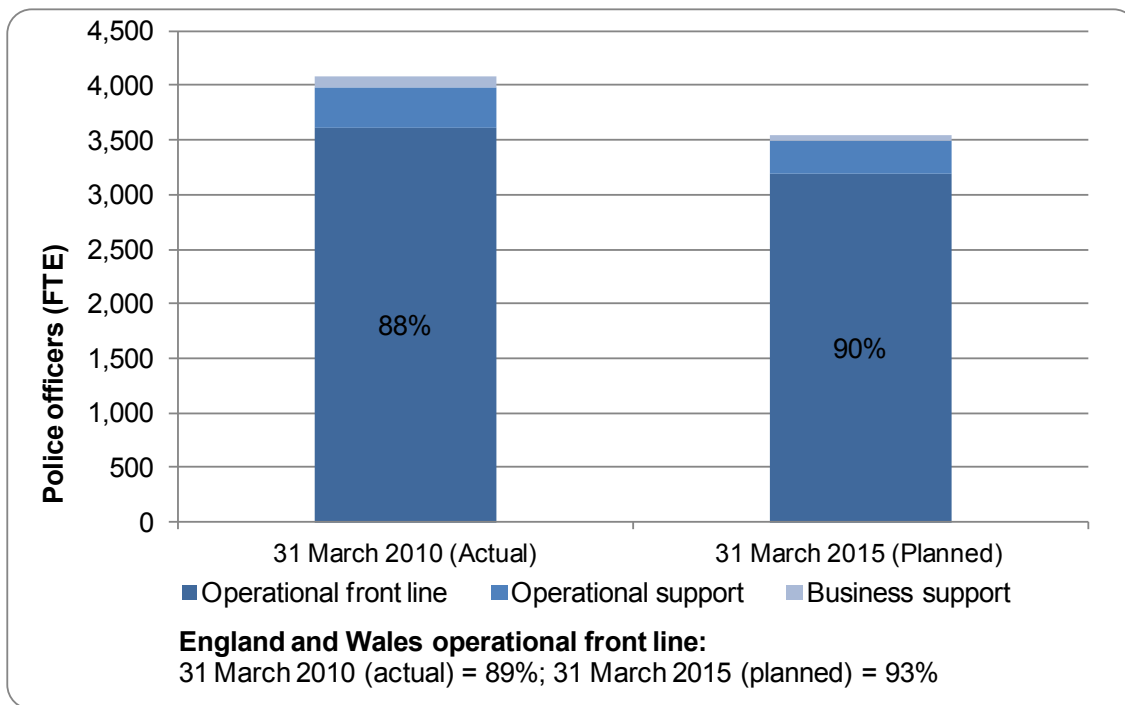


The **number** of officers, PCSOs and staff (i.e. of the force's total workforce) working on Northumbria's front line is planned to reduce by 16% between March 2010 and March 2015 (from 4,771 to 4,011).

Over the same period, the **proportion** of Northumbria Police's total workforce allocated to frontline roles is planned to increase, from 73% to 76%. This compares with an overall increase across England and Wales from 74% to 78%.

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.

The **number** of Northumbria's police officers in frontline roles is planned to reduce by 12%, from 3,611 in March 2010 to 3,191 in March 2015, as the following chart shows. The **proportion** of those remaining on the front line is planned to increase from 88% to 90%. This compares to an overall increase across England and Wales from 89% to 93%.



The Chief Constable is honouring her commitment to protect visible policing services throughout the period of this spending review. This is the foundation upon which other policing services have been structured, so as to ensure public service is maintained or improved.

Collaboration

HMIC monitors the force's progress on collaboration¹⁰ 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 Cleveland Police and Durham Constabulary to address serious and organised crime, and with transport operator Nexus to police the Tyne and Wear Metro system.

There are a number of collaborative arrangements currently being developed; however, the force acknowledges that significant progress has been hindered by factors such as the geography of the force's area, and the desire (in the first instance) to secure savings internally.

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".

In 2014/15, the force expects to spend only 3% of its total expenditure on collaboration, which is lower than the 11% figure for England and Wales. Overall, collaboration is expected to contribute to 4% of the force's savings requirement, which is below 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 transformation¹¹ which can help them to maintain or improve the service they offer to the public, and prepare for future funding reductions.

There are strong governance arrangements, led by the Chief Constable, which ensures all force plans are integrated and support delivery of the Police and Crime Plan. The change team sits within the human resources function and is integrated with finance and IT teams under the lead of a senior officer. This creates a more dynamic structure to support the next phases of the change programme.

The force evaluates key change projects to establish if they have been fully implemented and if savings have been fully realised. Where possible, evaluation is carried out to identify further opportunities to reduce inefficiency and further savings so that the force operates as efficiently and effectively as possible. This process is also used by the force to identify any issues that have the potential to harm service delivery or performance, allowing early remedial action to be taken.

The force understands the impact of the savings plans against required benefits of individual project plans, and has structures in place to ensure interdependencies are identified at the earliest opportunity and are managed appropriately. The inspection team considers these processes to be especially important in relation to changes to the force's operating model, and the need to ensure the model remains flexible enough to deal with any capability and capacity issues which may result from reductions in resources.

A comprehensive assessment of organisational threats and risks (which integrates workforce changes and savings plans) is in place and is regularly reviewed. The force is confident it can deliver savings in the remaining years of the spending review, and is supported in this by a good track record of delivery.

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. HMIC spoke to focus groups of officers and staff, and they agreed that the change programme had been effectively communicated. The force is also keen to understand and manage the impact of change on staff. Although there has been no specific training provided to staff in the management of change, senior managers have been provided with coaching and advice through various forums.

¹¹ 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, staff union representatives felt that some police managers did not understand the impact of redundancy on police staff, leading to difficult working relationships.

Both police officer staff associations and staff union representatives reported good working relationships with the force, providing examples where they had been able to add value to the planned changes. Staff associations feel supported by senior leaders and are involved in the consultation.

The force is ensuring that cultural change is integrated within plans and structural change. Over recent years, the force has used initiatives such as 'Your force, your view' to carry out staff surveys, with the findings used to inform plans and ensure change is managed appropriately. For example, the force now runs a scheme called 'Plain and Simple', which allows all staff to put their ideas directly to the chief officer team. The scheme was introduced in response to feedback provided in the staff survey, and has been beneficial as part of the engagement process during the change programme.

As Northumbria Police implements further changes (in particular, those affecting police staff), it should consider opportunities to enhance its communications and engagement. In this way those directly affected, as well as the wider workforce, will understand the course Northumbria Police has taken; some of the difficult decisions that had to be made; and the context of the funding challenges faced.

How effective has the response been?

The force has proven its ability to review its organisational structure and change how it operates to reduce costs. This puts it in a good position as it looks to make savings over the next two years. It also understands the scale of the financial challenges ahead, and has a strong track record of delivery.

With Northumbria Police's strong leadership and effective governance, which integrates change with performance and the achievement of the Police and Crime Commissioner's ambitions, they are on track to achieve the required savings by the end of this spending review period.

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.¹² HMIC therefore examined how far the changes being implemented by the force had affected the visibility of the police on the streets of Northumbria.

In March 2013, Northumbria Police allocated 67% of its police officers to visible roles. This is four percentage points higher than it allocated in 2010, and is higher than the figure for most other forces (which is 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 allocated 67% to visible roles. This is the same proportion as it allocated in 2010, and higher than the 59% figure for England and Wales.

HMIC conducted a survey¹³ 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 Northumbria, 17%¹⁴ 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, 83%¹⁵ said they felt either as safe or safer in the areas where they live, compared with two years ago. This is higher than the figure for most other forces, which is 75%.

¹² See *Demanding Times*, HMIC, London, 2011. Available from www.hmic.gov.uk.

¹³ 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.

¹⁴ $\pm 5\%$.

¹⁵ $\pm 5\%$.

The chief officer group has a strong focus on increasing officer and staff visibility. The force has carried out a number of reviews to maximise the amount of time officers spend in their communities. As well as carrying out a demand profile to match resources to demand peaks, the force is also currently piloting a voluntary attendee scheme to reduce the amount of time officers spend in custody suites.

Calls for service

HMIC examined whether Northumbria 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 three years from 2010, Northumbria Police maintained the same target response time of within 10 minutes for calls classed as 'emergency' (also known as grade 1) 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' (also known as grade 2) had a target response time of within 60 minutes for both urban and rural areas.

Over that period, the force met its target response time for urban 'emergency' calls 82% of the time in 2010/11 and 2011/12, and 79% of the time in 2012/13. In rural areas, the target was met 86% of the time in 2010/11, 87% of the time in 2011/12, and 86% of the time in 2012/13.

For 'priority' calls, the force met its attendance target in urban areas 91% of the time in 2010/11, 2011/22 and in 2012/13. In rural areas, the target was met 92% of the time in 2010/11 and 2011/12, and 91% of the time in 2012/13.

Thus, over the spending review Northumbria Police have broadly maintained the proportion of emergency and priority calls responded to within target, in both urban and rural areas.

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) Northumbria Police reduced recorded crime (excluding fraud) by 18%, compared with 13% in England and Wales. Over this period, victim-based crime (that is, crimes where there is a direct victim – an individual, a group, or an organisation) reduced by 19%, 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 Northumbria (per head of population) compared with the rest of England and Wales.

12 months to March 2013	Rate per 1,000 population in Northumbria	England and Wales rate per 1,000 population
Crimes (excluding fraud)	46.7	61.4
Victim-based crime	40.1	54.5
Burglary	5.6	8.2
Violence against the person	6.3	10.6
Anti-social behaviour incidents	61.6	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 rate¹⁶ (for crimes excluding fraud) for the 12 months to March 2013 was 41.5%. This is considerably higher than the England and Wales sanction detection rate of 27.0% (for crimes excluding fraud).

We have chosen these types of crime to give an indication of offending levels in Northumbria. 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, 91.7%¹⁷ of victims were satisfied with the overall service provided by Northumbria Police. This is higher than the England and Wales figure of 84.6%.¹⁸

Changes to how the public can access services

Forces are exploring different ways in which the public can access policing services. Northumbria Police is not planning to reduce its number of front counters¹⁹ and has opened one shared access point²⁰ with a front counter staffed by volunteers since 2010.

The force 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.

¹⁶ 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.

¹⁷ $\pm 1.0\%$.

¹⁸ $\pm 0.2\%$.

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

²⁰ 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.

Northumbria Police is:

- enhancing the time officers spend in their communities by providing updaters who, as well as updating logs, provide administrative support to officers by completing tasks relating to incidents; and
- piloting remote data access by providing over 250 smartphone devices to response, neighbourhood officers and PCSOs, thus reducing the need for officers to return to the station, and increasing officer visibility.

Conclusion

The force has planned how it will save £78.0m of the £85.1m required by March 2015. It therefore still has £7.1m to find, but has a number of options to fund this gap, including the use of existing reserves. The force has so far successfully reduced its spending as well as utilised reserves (built up from under spending in previous years). Spending has been reduced through implementing changes to the force structures, including reductions in both police officers and staff as well as in non pay budgets. This has been delivered as part of a rolling medium term financial strategy and strong financial controls.

The force has proved its ability to review its organisational structure and change how it operates to reduce costs. This puts it in a good position as it looks to make savings over the next two years. Overall, the force understands the scale of the financial challenges ahead, and has the capability, capacity and governance structures to deliver the savings required by the end of this spending review period.

HMIC saw evidence of strong workforce engagement and significant work being undertaken to ensure that the behaviours and cultures necessary to drive change are in place and maintained.

Northumbria Police has delivered particularly strong performance over the spending review period, maintaining a focus on fighting crime and keeping the communities of Northumberland and Tyne and Wear safe. The force has achieved a good reduction in crime, and maintains crime levels lower than elsewhere. Sanction detections and victim satisfaction are also considerably higher than in most other forces.

The force is well on track to meet the financial requirement over the spending review period, and continues to look at the way the force operates and is structured to further reduce costs. This will help to ensure Northumbria Police is in a strong position to respond to future funding reductions.

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 Northumbria Police.