



Promoting improvements
in policing to make
everyone safer

PEEL: Police efficiency 2016

An inspection of Cheshire Constabulary



November 2016

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Introduction

As part of its annual inspections into police effectiveness, efficiency and legitimacy (PEEL), HMIC assesses the efficiency of police forces across England and Wales.

As with all public services, it is vital that the police service operates in a way that makes the most of all its available resources. Police forces need to make sure they understand the current demand for their services. This is to make sure that they use all the resources available to them to fight all types of crime and to protect communities. Also, forces need to be looking to the future to understand how that demand may change and to plan where they need to invest extra resources or change the ways they operate so that the public can continue to receive the policing it expects and deserves.

As part of the government's objectives to cut public spending, central funding to the police service in England and Wales has been reduced by around 20 percent since 2011. Police forces across England and Wales have faced a difficult challenge to sustain effective levels of policing in the face of significant budget cuts. Forces need to continue to make efficiencies and invest resources wisely in order to maintain a focus on reducing crime and keeping their communities safe. HMIC considers that a police force is efficient if it is making the best use of its resources to provide policing services that meet expectation and follow public priorities, and if it is planning and investing wisely for the future.

HMIC's efficiency inspection assessed all of these areas during 2016. More information on how we inspect and grade forces as part of this wide-ranging inspection is available on the HMIC website (www.justiceinspectorates.gov.uk/hmic/peel-assessments/how-we-inspect/). This report sets out our findings for Cheshire Constabulary.

Reports on Cheshire Constabulary's legitimacy and leadership inspections will be available on the HMIC website (www.justiceinspectorates.gov.uk/hmic/peel-assessments/peel-2016) in December 2016. Our reports on police effectiveness will be published in early 2017.

Force in numbers



Financial position

	2016/17	2019/20	Percentage change
Forecast change in total gross revenue expenditure	£192m	£190m	-1%

Forecast savings:

	2016/17	2019/20
Amount of forecast savings	£6.0m	£2.0m

	2016/17	2019/20
Percentage of gross revenue expenditure	3%	1%



Workforce

	2015/16	2019/20	Percentage change
Planned change in officer numbers	2,011	2,053	+2%

	2015/16	2019/20	Percentage change
Planned change in total workforce	3,460	3,543	+2%

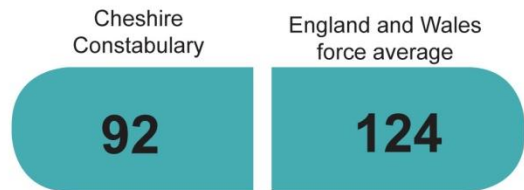
	Cheshire Constabulary	England and Wales force average
Officer cost per head of population in the 12 months to 31 March 2016	£96	£98

	Cheshire Constabulary	England and Wales force average
Workforce cost per head of population in the 12 months to 31 March 2016	£143	£143



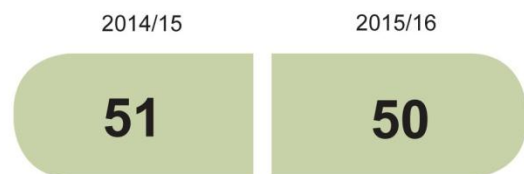
Calls for assistance

999 calls per 1,000 population 12 months to 31 March 2016

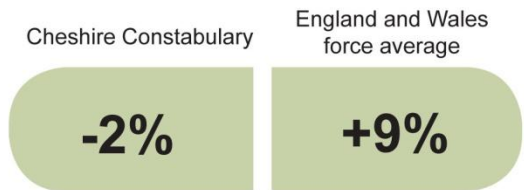


Recorded crime

Changes in recorded crime (excluding fraud) per 1,000 population 12 months to 31 March 2016



Percentage change in recorded crime (excluding fraud) per 1,000 population 12 months to 31 March 2016



Victim satisfaction

Victim satisfaction with the overall service provided by the police 12 months to 31 March 2016



For further information about the data in this graphic please see annex A

Overview – How efficient is the force at keeping people safe and reducing crime?

Overall judgment¹



Good

Cheshire Constabulary has been assessed as good in respect of the efficiency with which it keeps people safe and reduces crime.

The constabulary has a good understanding of demand for its services and has processes in place to make informed choices about the level of resources and levels of service across departments. At a strategic level, workforce plans and financial plans are aligned, and the constabulary has some well-developed and ambitious plans for the future, centred on increased use of digital technology and ICT development.

Overall summary

Cheshire Constabulary has a comprehensive strategic planning framework, centred on its understanding of demand. It has used a priority-based budgeting approach for the last two financial years. This process has allowed the constabulary to develop a more sophisticated understanding of traditional demand, such as crime and incidents, as well as helping it to understand secondary demand, such as internal demand and demand from partner agencies.

The constabulary has a good understanding of the skills and capabilities of its workforce. The constabulary moved to a new operating model in July 2015, and there are concerns among the workforce about the resulting level of staffing and the high number of probationary officers in some teams. Some teams lack officers with specific skills, such as police drivers, needed to respond efficiently to daily demand. The constabulary is learning from the implementation of the new operating model. It is making changes in several areas, including creating a bank of people ready to apply to the constabulary to cover any potential high demand for more officers, prioritising training, and increasing the numbers of officers with specialist skills.

The constabulary has a comprehensive information and communications technology (ICT) strategy that is aligned with the workforce and service plans. It has an ambitious plan for making more use of digital technology, supported through the constabulary IT strategy. However, the constabulary has yet to make full use of

¹ HMIC judgments are: outstanding, good, requires improvement and inadequate.

mobile devices. The constabulary's medium-term financial strategy sets the constabulary budget until 2019/20 and is based on credible and sensible assumptions. The strategy includes a summary of potential high-level savings, expected funding and use of reserves. The constabulary plans for the number of police officers, police staff and police community support officers to remain constant until 2019/20 and this is reflected in the medium-term financial strategy.

Recommendations

Cheshire Constabulary is a good force. HMIC has not identified any causes of concern and therefore has made no specific recommendations.

How well does the force understand its current and likely future demand?

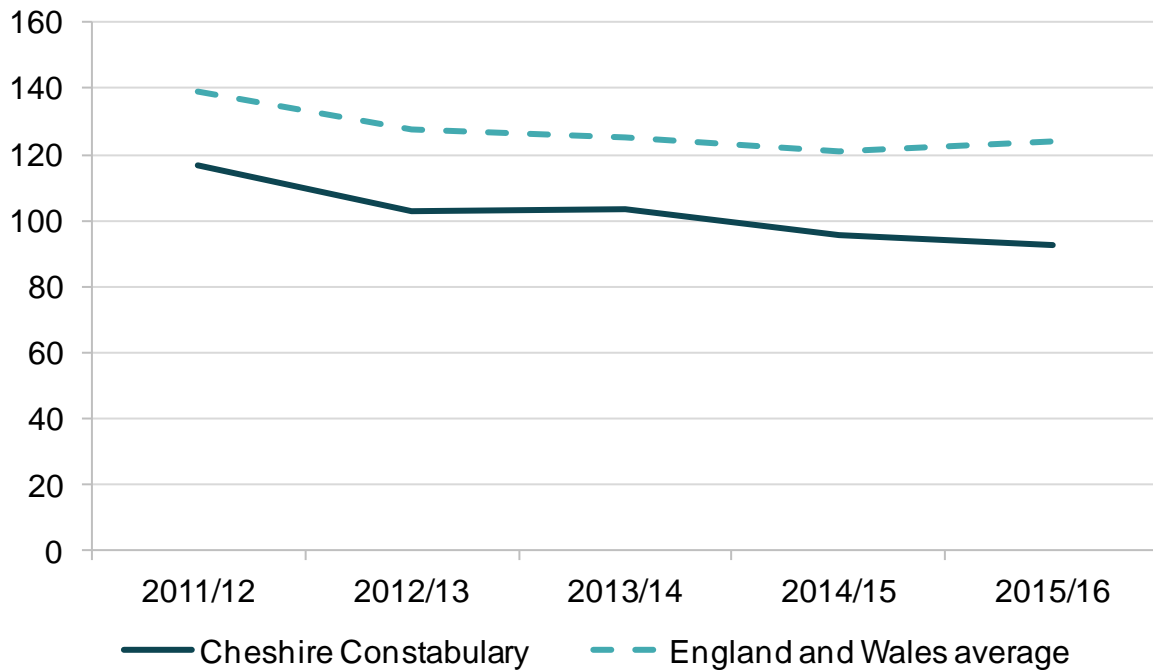
A good understanding of the demand for police services is vital in ensuring that forces have the right resources in the right place to provide the right level of policing now and in the future. This means not just an understanding of reported incidents but also how well a force proactively looks for demand that is less likely to be reported (e.g. incidents relating to modern slavery or child sexual exploitation) so that it can ensure that it protects the most vulnerable victims. Forces also need to understand how much resource to put into work that prevents crime and anti-social behaviour from occurring in the first place. It is important that forces continually review how they operate to ensure that they are not wasting police resources by operating inefficiently or responding to unnecessary demands.

Forces must understand how demand is changing and how they need to change in order to adapt to ensure that they can plan for the future and continue to respond effectively. As well as assessing likely future threats and risks from crime, this also means understanding and assessing the potential impact of wider societal and environmental changes on the demands they will face.

How well does the force understand the current demand for its services?

Police services cover a wide spectrum of activities and go far beyond the most obvious demands for providing a response to 999 calls, protecting victims of crime and pursuing offenders. It is important that forces have a comprehensive understanding across the whole range of different demands they face, including early intervention work with other organisations to prevent crime and proactively seeking out 'hidden' crimes (e.g. domestic abuse, internet crime, fraud, modern slavery and crime in communities who are more reluctant to trust or engage with the police). Police forces also need to understand how efficiently they run their own operations in order to avoid wasted effort and to ensure that they make the best use possible of all available resources.

Figure 1: Volume of 999 calls per 1,000 population received by Cheshire Constabulary compared with England and Wales in the 12 months to 31 March 2012 to the 12 months to 31 March 2016

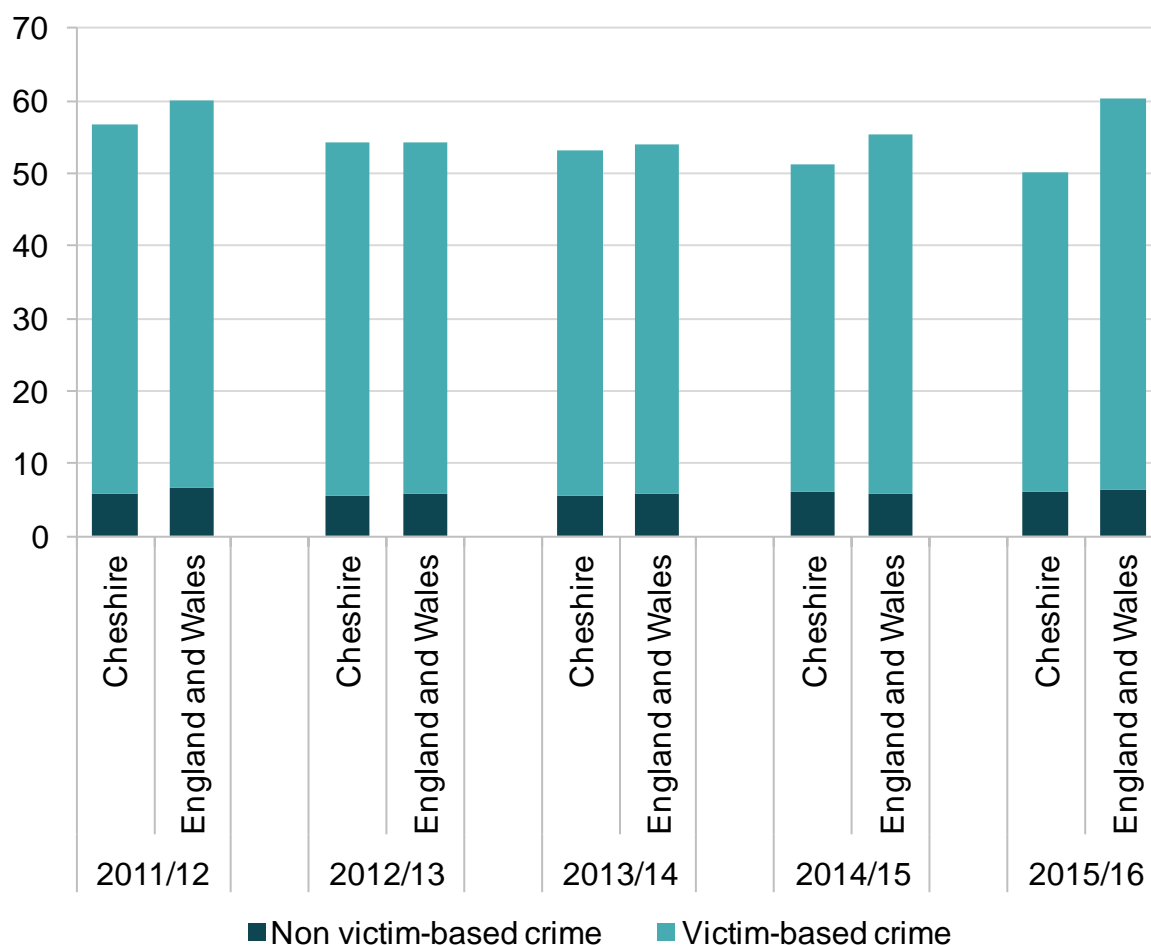


Source: Home Office Annual Data Requirement

For further information about the data in figure 1 please see annex A

Cheshire Constabulary received 92 '999' calls per 1,000 population in the 12 months to 31 March 2016. This was lower than the England and Wales average of 124 calls per 1,000 population. In the 12 months to 31 March 2012, the constabulary received 117 '999' calls per 1,000 population, lower than the England and Wales average of 139 calls per 1,000 population.

Figure 2: Police recorded crimes per 1,000 population in Cheshire Constabulary compared with England and Wales in the 12 months to 31 March 2012 to the 12 months to 31 March 2016



Source: Home Office Police recorded crime data
For further information about the data in figure 2 please see annex A

With regard to police recorded crime for the 12 months to 31 March 2016, Cheshire Constabulary recorded 44.1 victim-based crimes per 1,000 population, lower than the England and Wales average of 53.8 victim-based crimes per 1,000 population. Over the same period, Cheshire Constabulary recorded 6.2 non victim-based crimes per 1,000 population, broadly in line with the England and Wales average of 6.5 non victim-based crimes per 1,000 population. There has been a decrease in the victim-based crime rate of 13 percent and an increase in the non victim-based crime rate of 4 percent since the 12 months to 31 March 2012.

Cheshire Constabulary has a comprehensive strategic planning framework, centred on understanding:

- the resources available (financial and workforce);
- the future demands, threats and risks and the organisation’s current ability to respond to them;
- the priorities and what does the organisation wants to achieve;

- how the organisation wants to operate in the future;
- the demand the organisation is currently meeting and what level of service the organisation wants to provide;
- how the organisation can become more efficient and operate in line with its design principles; and
- how the organisation will deliver the plan.

Through this approach, the constabulary has a thorough understanding of its current demand. The constabulary conducts an annual strategic assessment, which takes into consideration many sources of information such as environmental scanning, various national reports, local authority priorities and plans as well as changes in crime types and patterns. At a more tactical level, performance relating to incident types, response categories and crime types is reviewed on a weekly basis. This analysis is completed at the level both of the constabulary as a whole and of its eight local policing units (LPUs). There is also a detailed monthly review at the constabulary performance meeting, where senior leaders are held to account by the deputy chief constable.

Cheshire Constabulary has used a priority-based budgeting (PBB) approach for the last two financial years. This approach involves a systematic review of existing services and the value they provide so that financial resources can be allocated to those services with the greatest impact. Through the annual PBB assessments, each budget holder has to assess current demand against resources, outputs and outcomes. This process has allowed the constabulary to develop a more sophisticated understanding of traditional demand, such as crime and incidents, as well as to understand secondary demand such as internal demand and demand from partner agencies. An example of this is the assistance the constabulary gave the ambulance service in gaining entry to houses. As a result of the PBB review process, this work has now been passed to the fire and rescue service, because they have more appropriate tools to allow them to gain entry, often without causing damage. This has saved money for the constabulary and has reduced demand on frontline resources.

The constabulary's annual strategic assessment also identifies areas where a better understanding is needed to make an accurate assessment of demand. Further work is then commissioned to provide more information, such as intelligence gathering, exchanging information with partners and producing joint profiles with partner agencies. In last year's assessment, modern slavery was highlighted as a gap and the constabulary worked with the local authority trading standards department to visit all car washes in Cheshire to gain a better intelligence picture. This was then fed back into the strategic assessment. The constabulary has also worked with specific

communities within Cheshire to understand particular types of demand. For example, the constabulary has recently run conferences aimed at communities affected by rural and by business crime.

The constabulary's control strategy identifies its priorities using MoRiLE (Management of Risk in Law Enforcement), a structured methodology that aims to provide a consistent approach across law enforcement agencies. MoRiLE considers the severity and impact of the potential harm caused by crime and incidents. This then enables the prioritisation of resources through a decision-making process that fits with the force tasking and coordinating processes. MoRiLE also helps to align resources with demand according to priorities and helps with understanding intelligence gaps to address new and emerging threats.

The PBB process has also identified internal demand and processes that need additional review, such as a recent review of the 'missing from homes' process. This review looked at the whole process from the initial report that someone was missing, through to follow-up action once they had returned home and was aimed at improving the efficiency of the process. Reviews resulting from the PBB process have also helped reduce internal demand. For example, officers usually wait until the end of their shift to record crimes by phone, and this results in a peak in demand for those who received the calls. As a result of a PBB review, officers now have to phone in to record crimes when they occur, to avoid peaks and troughs in internal demand.

How well does the force understand potential future demand for its services?

Demands for police services are continually evolving. Forces need to anticipate and understand likely future changes so that their plans keep pace with the public's needs and expectations. Potential future demand includes new and emerging types of crime, such as cyber-crime, modern-day slavery and human trafficking. Also, it includes changes to the communities that forces serve, developments in technology and environmental events, such as flooding.

Cheshire Constabulary has mechanisms and processes in place to help understand potential and emerging future demand. The constabulary conducts a quarterly environmental scanning process together with the office of the police and crime commissioner (OPCC), which includes planning developments such as new shopping centres and the new Mersey gateway project, population assessment, business profiling and other important information. This is reviewed at both constabulary-wide and LPU levels. The constabulary also undertakes an annual strategic threat and risk assessment which looks at future predicted demand, based around families, places and individuals. For hidden demand, the constabulary works with partner and third sector agencies to try to understand the scale of each area of demand in more depth. Recent examples include weeks of actions around such

areas as modern slavery and so-called honour-based violence, resulting in the development of partnership profiles and action plans aimed at understanding and tackling the issues further.

During the PBB process, the constabulary identifies areas of high demand and looks not only for long-term solutions but also for short-term investments to deal with current demand. The constabulary uses STEEP (social, technological, economic, environmental and political) analysis to plan for the medium term, which provides a wide-ranging assessment covering such things as protests, major road infrastructure changes and demographic changes. The constabulary monitors partner agency plans and critically assesses their proposals and any impact they may have on the constabulary, making partners aware of any areas that need further consideration. The constabulary is represented on sub-regional boards, which gives it the opportunity to challenge partner responsibilities and action taken on issues such as child sexual exploitation. However, the constabulary's engagement and consultation with the public is very much focused on current events and it does not actively seek public opinion on what the constabulary should look like, or what its priorities should be, in the future.

Summary of findings



Outstanding

HMIC assesses Cheshire Constabulary to be outstanding in its understanding of current and likely future demand. The constabulary has a comprehensive strategic planning framework centred on the understanding of demand. It conducts an annual strategic assessment which draws on many sources of information such as environmental scanning, national reports and local authority priorities and plans, as well as changes in crime types and patterns.

The constabulary has used a priority-based budgeting (PBB) approach for the last two financial years. Through this assessment, each service area has to assess current demand against available resources, outputs and outcomes. PBB has allowed the constabulary to develop a more sophisticated understanding of traditional demand, such as crime and incidents, as well as to understand secondary demand, such as internal demand and demand from partner agencies. The constabulary's strategic assessment also identifies areas where it does not have a good enough understanding to make an accurate assessment of demand. Further work is then commissioned to provide more information, such as intelligence gathering, exchanging information with partner agencies or producing joint profiles. The constabulary actively uses horizon scanning and detailed analysis as part of its medium-term strategic planning framework.

How well does the force use its resources to manage current demand?

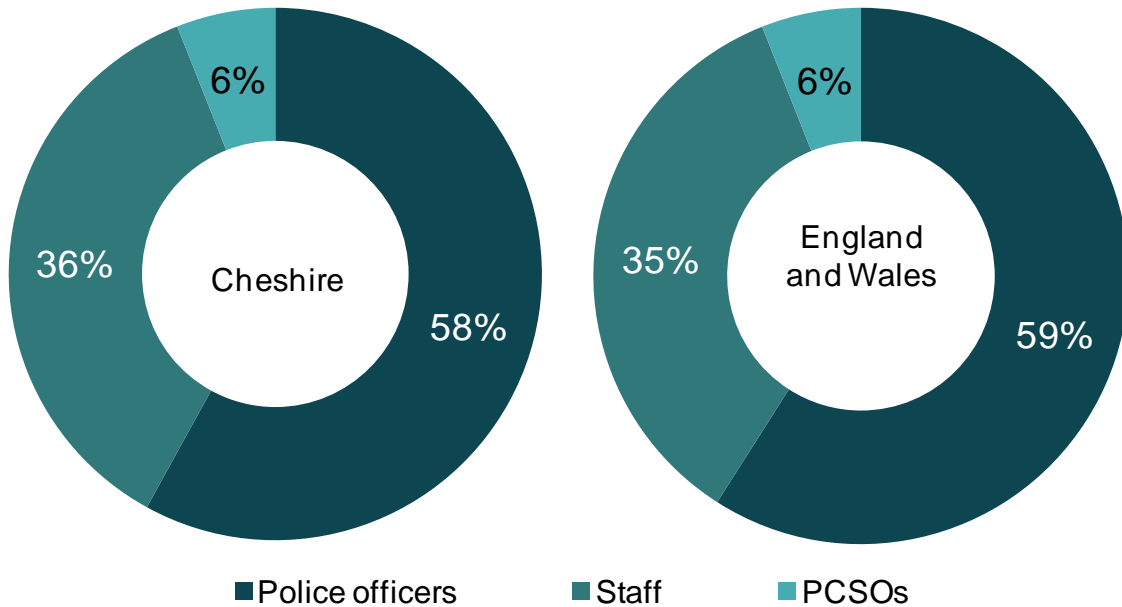
Police forces need to operate in a way that makes the best use of all available resources so that demand is met and public expectations are satisfied. We looked at the extent to which Cheshire Constabulary has the right people with the right skills in the right place to protect the public and to fight crime. Police resources have been reducing continually over recent years. It is increasingly important that resources are aligned to priorities to provide value-for-money services that tackle priorities, manage demand and meet financial requirements. This not only involves a force using its own workforce as efficiently as possible; it also involves the police working in new ways with others to ensure the best possible service to the public, and using all available resources to improve efficiency.

For a number of years, police forces have been focused on changing the way they operate and finding ways to save money in order to manage reducing budgets. It is important that these savings are sustainable and forces can demonstrate that they have achieved efficiencies while continuing to have the capacity and capability to meet demand.

How well does the force's current allocation of resources match demand, organisational and financial requirements?

Police forces need to consider many factors when deciding how to allocate their resources, including all elements of demand, local risks and priorities, and their national responsibilities. We looked at how well Cheshire Constabulary assesses these factors in making decisions about the level of service to provide and how to use its resources to best effect.

Figure 3: Police officers, staff and police community support officers (PCSOs) as a proportion of total workforce in Cheshire Constabulary compared with England and Wales as at 31 March 2016



Source: Home Office Police workforce statistics

Note: figures may not add up to 100 percent due to rounding of numbers. For further information about the data in figure 3 please see annex A

As at 31 March 2016, police officers make up 58 percent of Cheshire Constabulary's workforce. This was broadly in line with the England and Wales average of 59 percent. The proportion of staff in Cheshire Constabulary was 36 percent, broadly in line with the England and Wales average of 35 percent. The proportion of police community support officers in Cheshire Constabulary was 6 percent, in line with the England and Wales average of 6 percent.

Figure 4: Planned changes in full-time equivalent workforce from 31 March 2010 to 31 March 2020 for Cheshire Constabulary compared with England and Wales

	March 2010	Change from 2010 to 2016		March 2016	Change from 2016 to 2020		March 2020
		Force	England and Wales		Force	England and Wales	
Officers	2,155	-7%	-14%	2,011	2%	-2%	2,053
Staff	1,550	-19%	-21%	1,252	1%	-5%	1,270
PCSOs	237	-17%	-35%	198	11%	-6%	220
Workforce total	3,943	-12%	-18%	3,460	2%	-3%	3,543

Source: HMIC Efficiency data collection

For further information about the data in figure 4 please see annex A

Managing demands for police services

The constabulary prioritises its resources through the annual PBB process and the strategic assessment. Through this process, the constabulary analyses demand, resources, outputs and outcomes across all areas. This provides a number of options in relation to the level of service the constabulary can provide. Decisions about service levels and the allocation of resources are made at challenge boards – a panel of chief officers assessing and viewing each bid against the control strategy and the priorities set out in the policing and crime plan. At an operating level, the constabulary’s people board reviews human resources data on training, retirements and skills, to ensure that appropriate resources are in place to meet demand, aligned with the workforce and training plans.

The PBB process allows the constabulary to review the service levels provided to the public by choosing which priorities to invest in. These choices are aligned with the priorities of the constabulary and its vision, mission and ‘We’re here’ commitments.² For example, the constabulary has chosen a policy to attend any incident if the public requests it, in contrast with other forces where the decision to attend is taken following an assessment of risk, threat and other factors such as the availability of forensic evidence. Through both the PBB process and the strategic change and portfolio management department, there is a strong ethos of post-implementation review and an evaluation of benefits resulting from changes, including changes to service provision and resourcing.

² The ‘We’re here’ commitments are the constabulary’s mission and values. Further information can be found at www.cheshire.police.uk/about-us/mission-and-values/

Increasing efficiency

The PBB process is the main way of increasing efficiency within Cheshire Constabulary. It is the responsibility of budget owners to define their services, determine the necessary resources and understand any potential change in demand for the coming year. The PBB process was described in very favourable terms by managers we spoke to during the course of the inspection. It is seen as holistic, open and transparent, and a good model for ensuring the constabulary understands what it is trying to achieve and the part each area plays in achieving this. The process has helped simplify benefits realisation and has made invest-to-save initiatives (such as investment in digital capability and ICT) an integral part of business and service planning.

Investments in terms of resource allocation are monitored through quarterly performance reviews of service outcome and delivery. Change projects such as collaboration, IT and estates programmes are all centrally managed within the constabulary through the change management board. This board has an overview of all strategic change projects within the constabulary, post-implementation reviews, updates in relation to the PBB and the monitoring of planned savings against the budget.

How well does the force improve the productivity of its workforce?

Finding ways to make police officers and staff more efficient when they are out in their communities and reducing time spent doing back-office functions is essential to ensuring that police officers remain visible, on the beat and engaged in activities to reduce and fight crime. Police forces spend around 80 percent of their budget on staffing, so it is vital that the workforce is as productive as possible. This means forces need to ensure that all their staff have the skills and capabilities to provide the required level of service. We assessed how well Cheshire Constabulary understands the skills its staff need, both now and in the future; where there are gaps in either capacity or capability, we looked at whether the steps it is taking are appropriate to ensure that its staff work as efficiently and effectively as possible. We looked in particular at whether the workforce has the right level of digital skills, both to make the most of current ICT systems and to investigate crime digitally.

Understanding current workforce capabilities and gaps

The constabulary has a good understanding of the skills and capabilities of its workforce. PBB is now well established and it includes an assessment of the capability, capacity and culture of each service area. This information is used to inform and shape the workforce and training plans. On a monthly basis, workforce

data and information are reviewed in respect of vacancies, budgeted posts and training gaps. The constabulary also holds a weekly tracker meeting to discuss current vacancies and to move staff around the organisation when needed.

The capacity and capability assessment for each service area includes an understanding of the workforce's skills in relation to digital working. The constabulary has a digital investigation programme and is looking at opportunities to teach additional skills to frontline personnel. The constabulary has invested £50,000 in the last year to develop specialisms within the ICT department, which has improved morale within the unit. There has also been a greater focus on recruitment and succession planning within the department and the creation of apprenticeships and volunteer schemes to make working in the ICT department accessible to staff at lower grades.

Tackling workforce gaps

The constabulary moved to a new operating model in July 2015, with eight local policing units (LPUs) led by chief inspectors. In the LPUs, policing services are provided through a functional approach, as opposed to through geographically based area officers. The staff we spoke to during the course of the inspection told us that they had concerns about the level of staffing in LPUs. In some teams, over one-third of officers are newly qualified probationary officers. These officers are often not fully skilled or experienced to be deployed to all incidents and are frequently unavailable for frontline work as they are undertaking training. Since moving to the new model, there is a perception among frontline officers of an increased workload (although it was not in the scope of the inspection to assess whether this was actually the case). Some teams lack officers with the specific skills needed to respond efficiently to daily demand, such as officers with police driver skills. The constabulary is currently aware of gaps within the control room, among PCSOs and police officers, and in the IT department.

The constabulary is in the process of recruiting new officers to back-fill gaps left by normal departures from the organisation, such as through officer retirements. It is recruiting 42 additional officers compared to the end of March 2016 police officer establishment level.³ This process is ongoing and is designed to stagger intakes and the number of probationary officers in post at any one time. Learning from the implementation of the new operating model is currently influencing changes in approaches in several departments. The human resources department is in the process of creating a bank of people who are ready to apply to the constabulary and cover any period of high demand in officer recruitment numbers. It is hoped by the

³ The workforce establishment baseline provides clear information on the number of posts and full time equivalent positions as at the start of the financial year. This baseline information is essential in evaluating the effectiveness of the future implementation of an organisation's workforce strategy and ensuring that the organisation's pay costs are aligned with the medium-term financial plan.

constabulary that this will assist in filling any identified capability and capacity gaps quickly. The constabulary now holds familiarisation events to help potential new recruits understand fully the job they are joining, in an attempt to increase the number of applications and the retention rate. Driver training has become a priority, and other training has been moved in order to accommodate this and to train drivers as quickly as possible. With the need to increase staff and officer numbers in the public protection directorate following the PBB analysis, due to increased demand and risk, it was evident the constabulary lacked capability in detective and investigatory skills. There has been an increase in the number of trainee investigators and the constabulary has recruited detective officers from other forces in order to increase capacity in this area. These changes will take time to have an effect on the front line; the constabulary could do more to communicate these changes to the front line, including the timescales involved and how this will improve capacity and capability in the medium term.

How well does the force work with others to improve how it manages demand for its services?

We assessed how well Cheshire Constabulary has explored all opportunities to work in collaboration with others to increase efficiency and provide better, more resilient services. This can include work with other police forces, local public sector organisations, the private sector and the voluntary sector. We looked at whether the force has a clear rationale for the decisions it has taken about how it works with others, and whether it has a good understanding of how successful its joint working has been in helping it to meet demand for its services better.

Cheshire Constabulary works collaboratively with a number of other forces. Through the multi-force shared service (MFSS), there is a shared facility among police forces in Cheshire, Nottinghamshire, and Northamptonshire and the Civil Nuclear Constabulary for the delivery of transactional human resources, finance and payroll. MFSS has saved the constabulary more than £3m to date, and it is hoped that, if more forces join, the level of savings will increase further. Operationally, the constabulary has a joint firearms team with North Wales Police. The constabulary continues to explore and support collaboration with other police forces, private sector partnerships and other agencies. Collaboration is considered if there is the potential to drive down the costs of products or services, or provide services more efficiently. The constabulary is exploring further opportunities to collaborate with neighbouring forces, including collaboration with Merseyside Police and North Wales Police to provide an IT platform for record and intelligence management, and joint forensic services.

Collaboration benefits

Cheshire Constabulary takes part in the Altogether Better programme, which received funding from the Department for Communities and Local Government to integrate public services for complex families and individuals and for domestic abuse victims. The programme offers a single point of entry to clients for triage and needs assessment services. By exchanging information across a range of partners in Cheshire and being able to respond quickly to changes in circumstances, demand on all agencies is reduced and service provision is improved for victims from the first point of contact. This multi-agency project has been highlighted by the Early Intervention Foundation as good practice.⁴

Cheshire Constabulary is continually exploring new ways of working with partners in order to reduce demand, use resources more efficiently and improve service outcomes. We heard about a number of examples during our inspection, such as: work with the private sector and local authorities in a property marking scheme, work with the NHS on the diversion of section 136 mental health detainees from custody to appropriate health service provision and joint visits with independent domestic violence advisors to assess and refer victims to support services as quickly as possible.⁵ The constabulary also works in partnership with local authorities and schools as part of Operation Encompass, which was launched at the end of 2015 with the aim of safeguarding and supporting children and young people who have been involved in, heard or witnessed a domestic abuse incident. Following such an incident, children will often arrive at school distressed, upset, worried and unprepared. Operation Encompass aims to ensure that appropriate school staff are made aware early enough to support children and young people in a way that means they feel safe and included.

The constabulary is developing an innovative way to work collaboratively with Cheshire Fire and Rescue Service to provide joint services in areas such as finance, technology and vehicle maintenance, and to find opportunities to share accommodation. By April 2018, Cheshire Constabulary and Cheshire Fire and Rescue Service aim to:

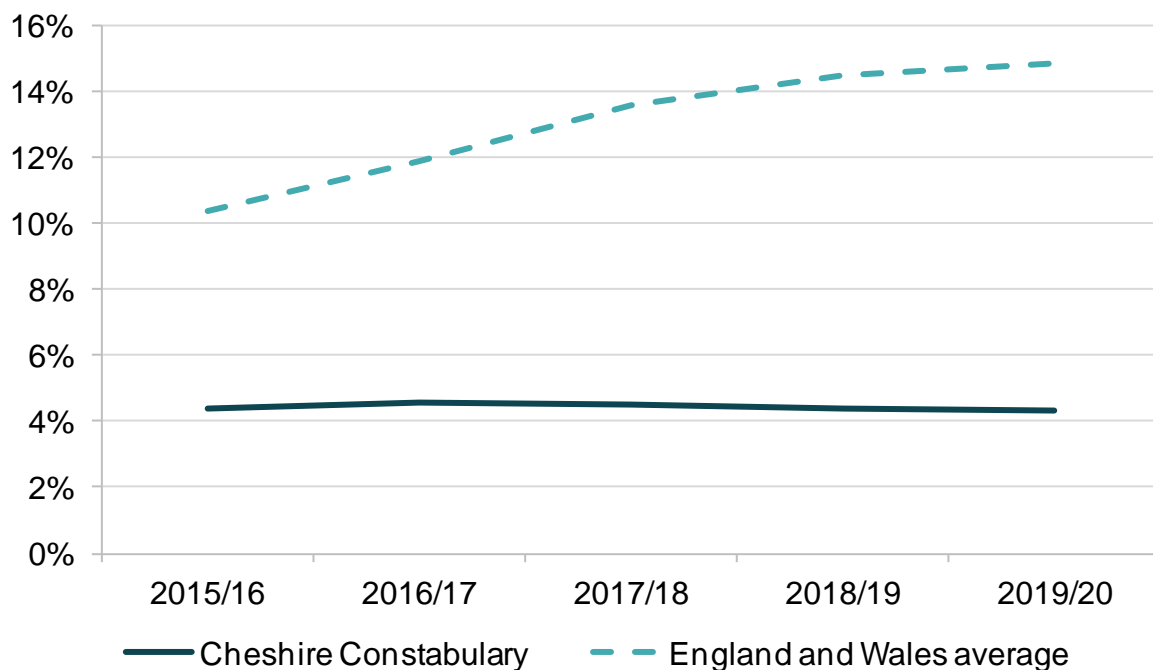
- operate from a single shared headquarters site;
- merge all back-office transactional services – including ICT, HR, finance, payroll and procurement – using the existing MFSS model;

⁴ For more information about the Early Intervention Foundation see: www.eif.org.uk/

⁵ Section 136 of the Mental Health Act 1983 provides for the police to take someone to a place of safety when they are in a public place, if police think that the person has a mental illness and is in need of care.

- create a shared service to provide human resources business support, organisational development and management training, and to explore other areas of opportunity once service restructures have been concluded;
- provide a fit-for-purpose property portfolio based on the future operational needs of Cheshire blue light services;
- undertake a strategic review of property assets across Cheshire blue light services to release valuable sites and participate with other public sector partners to develop One Public Estate projects;⁶ and
- merge the fleet maintenance services of Cheshire blue light services making the best use of sites, skills and equipment.

Figure 5: Projected percentage of net revenue expenditure in Cheshire Constabulary, compared with England and Wales, on collaboration with other forces in the 12 months to 31 March 2016 to the 12 months to 31 March 2020



Source: HMIC Efficiency data collection

Note: some forces could not provide data for all years. These forces have been excluded from the England and Wales average in those years only. West Mercia Police and Warwickshire Police stated that all of their net revenue expenditure is spent in collaboration. To avoid distorting the distribution of forces, these have been removed from the England and Wales average for this figure. For further information about the data in figure 5 please see annex A

⁶ One Public Estate is a Local Government Association and Cabinet Office initiative that supports public sector bodies to use their assets more effectively, often in collaboration with other local public sector bodies. For more information see www.local.gov.uk/onepublicestate

Cheshire Constabulary has forecast that it will spend £7.9m in 2016/17 on collaboration with other police forces. This is 4.6 percent of its net revenue expenditure (NRE), which is lower than the England and Wales average of 11.9 percent. For 2019/20, the constabulary has forecast that it will spend £7.5m (4.4 percent of NRE) on collaboration with other police forces. This is lower than the England and Wales average of 14.8 percent.

Cheshire Constabulary provided no data on its expenditure on collaboration with non-police organisations to HMIC prior to inspection, so this data could not be included in this report.

How well does the force understand how any changes made to improve efficiency have affected its ability to manage demand?

As resources reduce and demands on police services become ever more complex, it is increasingly important that forces understand fully the benefits that are realised from any investment and the impact of any new ways of working. This understanding enables them to learn from what works and to take swift action to mitigate any negative results.

The constabulary conducts post-implementation reviews in relation to changes introduced within the organisation. These reviews usually take place three, six and twelve months after implementation. They can take the form of staff surveys, focus groups, public surveys and external review. If an area of change is identified as not achieving the expected benefits, it is reviewed and a change of approach is made. A recent example of this was the introduction of mobile fingerprint devices to local policing teams. Following the post-implementation review, it was identified that certain areas were not benefitting and officers were not using the devices to their full potential. As a result, the devices were reallocated to the roads policing unit. All project and programme investments are monitored and tracked through the change delivery board, which oversee the tracking of the benefits of projects against the initial project scope.

Summary of findings



Good

Cheshire Constabulary makes good use of its resources to manage current demand. The constabulary has a good understanding of the skills and capabilities of its workforce, but has encountered a number of problems with capacity and capability following the implementation of its new operating model. The constabulary has responded to this; however the changes will take time to have a positive effect on the front line.

Cheshire Constabulary is continually exploring new way of working with partners in order to reduce demand, reduce resources and improve service outcomes. The constabulary has engaged in a number of collaborative ventures, both operational and organisational, including the multi-force shared service model and a joint firearms capability, and is exploring more opportunities to collaborate with neighbouring forces. This includes ICT collaboration and a joint forensic services unit with Merseyside Police and North Wales Police. The constabulary is developing an innovative way to work collaboratively with Cheshire Fire and Rescue Service to provide joint services in areas such as finance, technology and vehicle maintenance, as well as opportunities to share accommodation. Through the change management board, post-implementation reviews and benefit realisation analysis are completed for all change programmes and projects.

How well is the force planning for demand in the future?

HMIC examined how well forces are using their understanding of current and future demand on their services to develop more efficient ways of operating that balance ambition, realism, innovation and risk. Our assessment examined the extent to which Cheshire Constabulary's plans are credible and achievable while at the same time are creative and ambitious. This included how far it is aiming to improve efficiency through its workforce plans, collaboration plans, financial plans, ICT plans and approaches to risk.

How well does the force identify and prioritise areas to invest in for the future?

It is important that forces have good plans in place which take account of future demands for their services as well as the likely future funding available to them. They need to invest wisely for the future in order to ensure that they have the right capabilities to meet future demand. HMIC examined the force's financial plans and workforce plans to assess how far it is set to meet future changes in demand and local priorities. We looked in particular at how well Cheshire Constabulary has considered its future ICT capabilities as well as any wider changes to the communities it serves.

Matching resources to demand, organisational priorities and financial requirements

Cheshire Constabulary's strategic planning framework ensures that financial resources and the workforce plan are aligned with the constabulary's understanding of demand. At the start of the PBB planning process, the financial context for the upcoming year is set out, including the forecast budget, the savings requirement, assumptions around the precept for the local council tax and potential risks to the constabulary's funding. The PBB proposal for each service level identifies and quantifies the impact of acknowledged changes in activity, identifies opportunities for greater effectiveness and efficiency and confirms the service level to be provided. This is then used to set the financial plan (budget) for the service area and to build a constabulary-wide financial plan that is affordable within the available funding. The process then initiates detailed implementation planning to achieve agreed savings and benefits, along with an understanding of workforce skills, capacity and capability, to inform and develop the workforce plan and training plan.

Workforce numbers for police officers, police staff and PCSOs remain constant in the medium-term (up to 2019/20) and this is reflected in the constabulary's medium-term financial strategy (MTFS). The need for ICT developments has been built into the MTFS, with the use of reserves this financial year for invest-to-save initiatives.

Investing in ICT

The constabulary has a comprehensive ICT strategy that is aligned with its workforce and service plans. The PBB process includes an analysis of method changes in service delivery, which encourages budget holders to consider how digital technology and ICT could improve service standards or drive efficiencies within the unit. Invest-to-save initiatives are encouraged as part of this process. Cheshire Constabulary is supported by a professional and forward-thinking IT department, which tries to develop products and services that meet identified needs. It has an ambitious digitisation plan, supported by the constabulary's IT strategy. The IT ambition for the constabulary covers seven areas:

- mobile and agile – enabling officers and staff to operate efficiently and effectively on the move and in the community – using fit-for-purpose mobile devices running intuitive applications;
- crime fighting – deploying technology imaginatively to fight crime more effectively and provide better service to communities;
- public contact – providing a range of contact channels for better engagement with the public and greater support for victims and vulnerable people;
- digital working – enabling officers and staff to capture process and manage digital files and share them seamlessly with partner agencies;
- information and records management – providing solutions to help manage and exploit information documents and records more effectively;
- quality of service – improving the quality of services provided to customers, through better engagement and communications – and by understanding customer needs; and
- cost reduction – driving down costs of IT for the constabulary, and creating opportunities for efficiencies across the business.

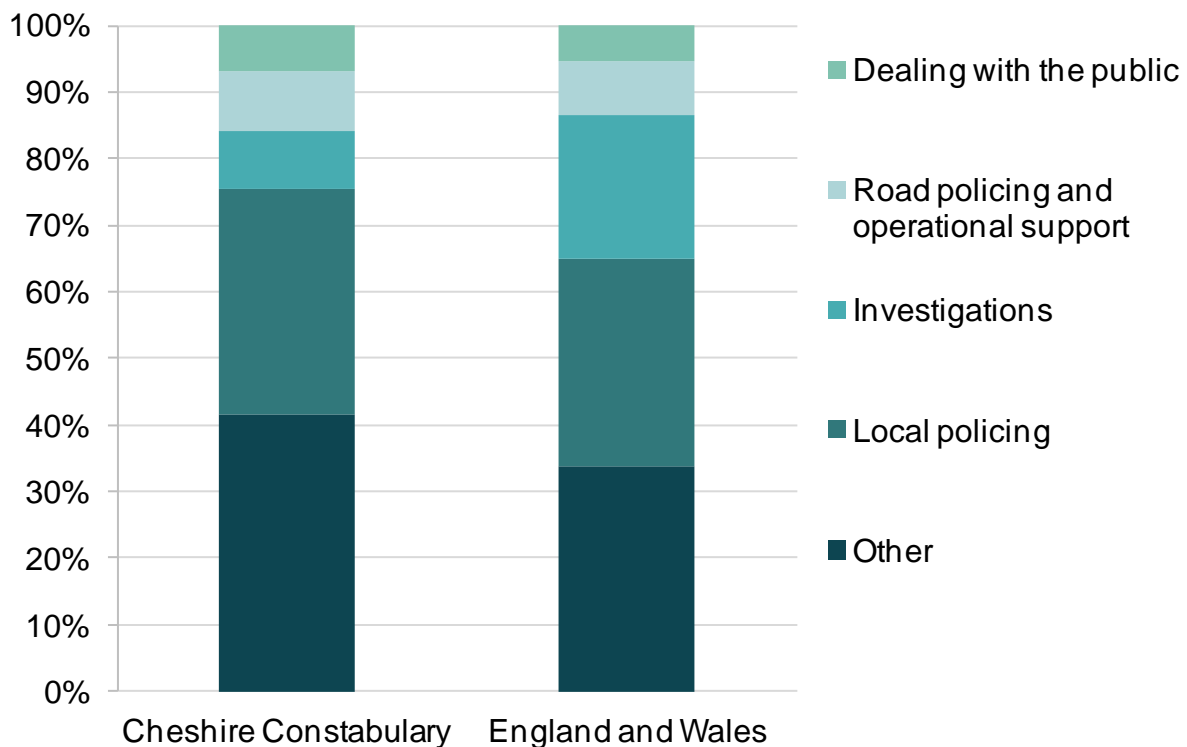
However, Cheshire Constabulary has yet to implement fully the use of mobile devices to assist and drive efficiencies in frontline policing activities. The constabulary has been committed to mobilising its operational officers with modern technology since July 2013. Initial experiments concluded that the procurement of a fully managed service would maximise the effectiveness and capability of any solution. However, following an extensive procurement and design phase, by December 2015 it was agreed by all parties that the chosen managed service was not going to achieve the desired outcome in Cheshire and the contract was ended. Since this date, Cheshire has developed a progressive pathway to agile and mobile working for all staff, which will be rolled out across Cheshire between August and October 2016 and which has been designed to capitalise on efficiencies available through the constabulary's new command and control suite and the emergency

services network. This network will upgrade the security and resilience of how the emergency services communicate with each other. It will enable officers to link from their devices to the main constabulary systems easily. Laptops will also be issued to allow officers to spend more time out in the community rather than in police stations completing paperwork.

How well does the force plan its investments?

A force’s plans for investment and savings need to be credible, realistic and informed by a full understanding of the future challenges (both financial and operational) that it is likely to face. HMIC assessed the extent to which Cheshire Constabulary’s future plans are prudent, robust and based on sound assumptions about future demands and costs, while at the same time being ambitious enough to meet public expectations, including identifying new ways of working and providing services in the future.

Figure 6: Estimated percentage of gross revenue expenditure allocated across different policing functions in Cheshire Constabulary compared with England and Wales in the 12 months to 31 March 2016



Source: HMIC Efficiency data collection

For further information about the data in figure 6 please see annex A

Cheshire Constabulary’s MTFS sets the constabulary budget until 2019/20. The constabulary’s medium-term financial and workforce plans are based on credible and sensible assumptions. A two percent yearly council tax increase has been included from 2018/19 onwards, along with a one percent yearly pay increase and an inflation

increase of 1.7 percent rising to two percent by 2020/21. These assumptions have been shared and agreed with the OPCC. The medium-term financial plan also includes a summary of potential high-level savings, expected funding and use of the reserves. The constabulary plans for the number of officers, staff and PCSOs to remain constant until 2019/20 and this is reflected in the MTFS.

Planning for the future

The MTFS sets out detailed financial plans based on the annual PBB process and is linked to workforce and organisational plans. This provides confidence that the constabulary can achieve the potential savings required through to 2019/20. The plans are based on prudent assumptions and detailed scenario planning. The constabulary has a strong track record of achieving planned savings.

While financial plans are in place for the medium term, the constabulary's approach to business planning is very much centred on the next financial year. This is reinforced through the constabulary's approach to the PBB process. The constabulary's medium-term financial plan was difficult to find on the OPCC and constabulary websites. Published papers to the police and crime panel did not include an overall summary of the position going forward, and the data provided to HMIC during the course of our inspection was overly complex in a multitude of spreadsheets which included a mass of data supporting the MTFS. It was apparent that the spreadsheets were a finance product and not capable of being shared in that format in a meaningful way with staff, chief officers, the PCC or the public. This has resulted in some senior operational leaders lacking a clear understanding about the force's medium-term forecast and financial plans.

The constabulary has a strong commitment to PBB, which is now built into the annual business planning cycle. This has given the constabulary the ability to review and invest in priority areas such as the public protection department, ensuring investment is aligned with vulnerable victims and areas of high risk. The constabulary has a transformational vision for ICT and digitalisation. This included the introduction of mobile devices and a change of command and control system, allowing capabilities the constabulary does not currently have, such as live video streaming from mobile devices to the control room. The constabulary has considered how its future workforce and ICT capabilities will integrate, and the comprehensive ICT strategy is aligned with the workforce and service plans. The vision of the digital programme is to connect officers and staff to each other and the public and for them to work remotely within the community. Information systems will be joined up and available for use when and where needed. Success has been defined as:

- to use technology to make policing easier, more effective and more efficient;
- to develop an integrated solution that allows data and information from a variety of systems to be seamlessly available and reused;

- to develop a solution that is flexible in nature to meet the changing needs of the public and the workforce; and
- to provide the foundation necessary to allow the constabulary to modernise how it works, where it works and the way that it works.

To what extent does the force fund its investments sustainably?

Police forces have made significant financial savings over recent years, which has enabled them to reduce their costs and protect frontline policing. They continue to face financial challenges and it is vital to their ability to sustain effective policing that they continue to seek improved efficiencies and drive down costs so that they can not only balance their budgets but also invest in improving their capability in the future. Forces need to consider different ways of transforming the way they work in order to secure effective policing in the longer term. This may include plans to establish different joint working arrangements with other organisations or investing in ICT to improve operational efficiency.

Saving to invest for the future

Cheshire Constabulary continues to consider ways of saving and investing in the future. Its approach to PBB means that the constabulary has continued to invest in recruitment and make strategic decisions about increasing or reducing its investments in service levels, aligned with its priorities.

The PCC holds a general unallocated reserve of nearly £6m and a further £5m in earmarked reserves, with an additional £11m of capital remaining in 2015/16. Most of the earmarked reserves are to support transitional projects, such as collaborative activity and ICT programmes. The constabulary forecasts that the total unallocated reserves will stay constant at £6m, while earmarked reserves on top of this will reduce from £5m in 2015/16 to £1m in 2019/20.

Working together to improve future efficiency

The constabulary is taking opportunities in its collaborations with partner organisations to identify further savings through the way it uses its buildings. Cheshire Constabulary has reviewed its estate and last year conducted a land swap with Halton Borough Council. This allowed it to build a new police station in Widnes, reducing running costs by 40 percent compared to the old station. The constabulary is looking at wider opportunities for collaboration with the fire and rescue service, in particular over joint accommodation for the two organisations.

Strategically, the constabulary is working with North Wales Police and Merseyside Police to implement a significant IT programme across the three forces and to provide forensic services. At a service delivery level, the constabulary is well

engaged with partner agencies, which includes looking at different ways to tackle concerns and problems and streamlining services by thorough end-to-end process reviews.

Summary of findings



Good

Cheshire Constabulary is good at planning for demand in the future. The strategic planning framework ensures that financial resources and the workforce plan are aligned with the constabulary's understanding of demand. The constabulary has a comprehensive ICT strategy that is aligned with the workforce and service plans.

The priority-based budgeting process includes an analysis of changes in the method of service provision which encourages budget holders to consider how digitisation and ICT could improve service standards or drive efficiencies within their units. Invest-to-save initiatives are encouraged as part of this process. However, Cheshire Constabulary has yet to implement fully the use of mobile devices to assist and drive efficiencies in frontline policing activities.

The constabulary's medium-term financial strategy (MFTS) sets a budget until 2019/20 and the medium-term financial and workforce plans are based on credible and sensible assumptions. This includes a summary of potential high-level savings, expected funding and use of the reserves. The constabulary plans for the number of officers, staff and PCSOs to remain constant until 2019/20. This is reflected in the MFTS.

Next steps

HMIC will assess progress on any recommendations and areas for improvement identified within its reports in a number of ways. We may re-visit those forces where we have identified a serious cause of concern, go back to assess as part of our annual PEEL inspection programme or receive updates through regular conversations with forces.

HMIC highlights recurring themes emerging from our PEEL inspections of police forces within our national reports on police effectiveness, efficiency, legitimacy, and also leadership. These reports identify those issues that are reflected across the country and may contain additional recommendations directed at national policing organisations, including the Home Office, where we believe improvements need to be made at a national level.

Annex A – About the data

The source of the data is presented with each figure in the report, and is set out in more detail in this annex. The source of Force in numbers data is also set out below.

Methodology

Please note the following for the methodology applied to the data.

Comparisons with England and Wales average figures

For some data sets, the report states whether the force's value is 'lower', 'higher' or 'broadly in line with' the England and Wales average. This is calculated by using the difference from the mean average, as a proportion, for all forces. After standardising this distribution, forces that are more than 0.675 standard deviations from the mean average are determined to be above or below the average, with all other forces being broadly in line.

In practice this means that approximately a quarter of forces are lower, a quarter are higher, and the remaining half are in line with the England and Wales average for each measure. For this reason, the distance from the average required to make a force's value above or below the average is different for each measure so may not appear to be consistent.

Statistical significance

When commenting on statistical differences, a significance level of 5 percent is used.

For some forces, numbers described in the text may be identical to the England and Wales average due to decimal place rounding, but the bars in the chart will appear different as they use the full unrounded value.

Population

For all uses of population as a denominator, unless otherwise noted, we use the Office for National Statistics (ONS) mid-2015 population estimates.

Force in numbers

Forecast change in expenditure

These data show estimated gross revenue expenditure (GRE) for the force in 2016/17 and 2019/20, calculated using total GRE pay and total GRE non-pay budgets provided to HMIC by individual forces at the time of data collection (April 2016), excluding expenditure on the Office of Police and Crime Commissioner.

Forecast savings

These data show planned savings (including use of reserves to bridge an in-year funding gap) in future years, calculated using the planned savings for pay and non-pay budgets provided to HMIC at the time of the data collection (April 2016). Some forces only provided figures for savings that they had formally signed off at that point, while others provided estimates for the whole period. Therefore a force with only a small savings requirement is not necessarily faced with only a small savings challenge for the future.

Workforce figures (based on full-time equivalents) for 31 March 2016 and 31 March 2020

These data were obtained from the Home Office annual data return 502. The data are available from the Home Office's published Police workforce England and Wales statistics (available from www.gov.uk/government/collections/police-workforce-england-and-wales), or the Home Office police workforce open data tables (available from www.gov.uk/government/statistics/police-workforce-open-data-tables). Figures may have been updated since the publication. Workforce includes section 38 designated officers (investigation, detention and escort), but does not include section 39 staff.

Projections for March 2020 are budget-based projections and therefore are likely to take into account a vacancy rate depending on a force's planning strategy. In some instances therefore an increase in budgeted posts may not actually indicate the force/constabulary is planning to increase its workforce. In other cases, forces may be planning to reduce their workforce but have a current high vacancy rate which masks this change.

Workforce costs per head of population are obtained from calculations in HMIC Value for Money Profiles 2015, which use the ONS mid-2014 population estimates.

Figures throughout the report

Figure 1: Volume of 999 calls from the 12 months to 31 March 2012 to 12 months to 31 March 2016

These data are obtained from the Home Office annual data return 441.

Figure 2: Police recorded crime in 12 months to 31 March 2015 to 12 months to 31 March 2016

These data are obtained from Home Office Police recorded crime and outcomes data tables (available from www.gov.uk/government/statistics/police-recorded-crime-open-data-tables). Total police recorded crime includes all crime (excluding fraud offences) recorded by police forces in England and Wales. Home Office publications on the overall volumes and rates of recorded crime include British Transport Police,

which is outside the scope of this HMIC inspection. Therefore England and Wales averages in this report will differ slightly from those published by the Home Office.

Figure 3: Percentage of officers, staff and PCSOs in Force workforce on 31 March 2016 compared to England and Wales

Data as at 31 March 2016 are obtained from the Home Office annual data return (as set out in the Force in numbers section) which is an 'actual' full-time equivalents (FTE). The percentages used in figure 3 are derived from the total FTEs within forces, and therefore may differ slightly from the exact figures quoted within the report.

Figure 4: Planned changes in workforce FTE from 31 March 2010 to 31 March 2020 for the force compared to England and Wales

The figures in figure 4 are rounded to the nearest whole person, full-time equivalents (FTEs), and therefore may differ slightly from the exact figures quoted within the report. Police staff includes section 38 designated officers (investigation, detention and escort).

Data as at 31 March 2010 and 31 March 2016 are obtained from Home Office annual data return (as set out in the Force in numbers section) which is an 'actual' FTE, this data includes officers on career breaks and other types of long term absence, and those seconded in to forces. Projections for March 2020 are budget-based projections and therefore are likely to take into account a vacancy rate depending on a force's planning strategy, but may not include a projection for absences. In some instances therefore an increase in budgeted posts may not actually indicate the force/constabulary is planning to increase its workforce. In other cases, forces may be planning to reduce their workforce but have a current high vacancy rate which masks this change.

Due to the complex and continually evolving picture of workforce collaboration between neighbouring forces, not all changes in workforce figures reflect the workforce that is available to forces. Involvement in strategic alliances and/or regional organised crime units would be an example of where changes over time are likely to be skewed. Therefore sharp increases or decreases over time need to be considered with caution as they may simply represent accounting changes related to how staff are allocated to forces, not real changes in staffing levels.

At the time of the inspection, the future financial climate was uncertain. Several forces did not have confirmed/signed-off plans for workforce projections. It is important to note that figures provided are in many instances unconfirmed estimates provided to assist HMIC in our inspection programme and should not be seen as a concrete plan for the future workforce landscape of policing.

Figure 5: Projected net revenue expenditure on collaboration with other police forces for the 12 months to 31 March 2016 to the 12 months to 31 March 2020

This data was provided to HMIC by individual forces at the time of data collection (April 2016), prior to inspection.

The data covers the level of expenditure by forces on collaboration-related activity. Collaboration can include a variety of different types of activity, some of which may not incur specific expenditure, but may still generate benefits such as savings or improved services the public. Therefore this data should be seen as only one aspect of potential collaboration activity.

West Mercia Police and Warwickshire Police have a highly-developed integrated relationship and have stated that all of their net revenue expenditure is through collaboration. To avoid distorting the distribution of forces around the average, West Mercia Police and Warwickshire Police have been removed from the England and Wales average for this figure.

Figure 6: The percentage of gross revenue expenditure allocated to different policing functions in 12 months to March 2016

This data was provided to HMIC by individual forces at the time of data collection (April 2016), prior to inspection. The data defines policing functions using the Policing Objective Analysis categories which have been grouped. The grouping is illustrated in the table below:

Figure 6 policing functions	POA categories
Local policing	Local policing
Investigations	Specialist Investigations Investigative Support Public Protection
Road policing and operational support	Roads Policing Operations Support
Dealing with the public	Dealing with the Public
Other	Intelligence Criminal Justice Arrangements Support Functions National policing Office of PCC Central Costs