



Responding to austerity

Police Service of Northern Ireland

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Summary

In the October 2010 spending review, the UK government announced that central funding to the police service in England and Wales would be reduced in real terms by 20 percent in the four years from March 2011 to March 2015. Local police forces in England and Wales are also funded through a local precept (council tax) which is negotiated separately and was not subject to the same reduction.

Her Majesty's Inspectorate of Constabulary's (HMIC's) Valuing the Police Programme has tracked how these police forces have planned to make savings to meet this budget requirement. We published findings on this in July 2011¹, June 2012² and July 2013.³ In 2014, the final year of the spending review, HMIC reported on how forces have managed the considerable challenges to make savings so far.⁴

The Police Service of Northern Ireland (PSNI) is funded wholly by central government. It bids for both its main grant and access to HM Treasury reserves, through the Northern Ireland Policing Board (NIPB), to central government. The PSNI cannot raise funds through a local precept, nor can it borrow funds, maintain strategic reserves or carry forward under-spends. It also has access to short term funding for long term security needs but no separate funding for the historical enquiries team (HET).

As with police forces in England and Wales, the PSNI has had to make savings and manage reduced budgets. In the spending review period the PSNI planned to achieve £135 million in savings before it was required to make further substantial in year budget cuts.

In 2014, the Minister of Justice commissioned HMIC to conduct an inspection of the PSNI using the methodology set out in its Valuing the Police Programme.

This report looks at how the PSNI has managed the considerable challenges to make savings from 2010 to 2014. In order to consider this, we asked three questions:

- To what extent is the PSNI taking the necessary steps to ensure a secure financial position for the short and long term?
- To what extent has the PSNI an affordable way of providing policing?
- To what extent is the PSNI efficient?

¹ www.justiceinspectors.gov.uk/hmic/media/adapting-to-austerity-20110721.pdf

² www.justiceinspectors.gov.uk/hmic/media/policing-in-austerity-one-year-on.pdf

³ Policing in Austerity: www.justiceinspectors.gov.uk/hmic/publications/

⁴ Meeting the Challenge: www.justiceinspectors.gov.uk/hmic/wp-content/uploads/policing-in-austerity-meeting-the-challenge.pdf

To answer these questions, HMIC collected data and savings plans from the PSNI and conducted an inspection, interviewed chief and senior officers and the policing board and held focus groups with other officers and police staff.

Main Findings

The Police Service of Northern Ireland faces unique challenges in the way it allocates its resources compared to police forces in England and Wales. The legacy of past troubles means that the PSNI has to use a significant proportion of available police resource in investigating historic crimes and responding to the demands of the community and courts for information relating to past investigations. Continuing tensions mean, particularly when policing contentious parades and protests, extra provision must be made for the safety and welfare of members of the community and officers.

The PSNI has an explicit commitment to community policing and to improving public confidence in the police. Its 'policing with the community strategy' aims to work better with local communities, build confidence and keep them safe. The PSNI also has a strong commitment to ensuring that it maintains sufficient capacity and resources to keep public order and to target the continuing terrorist threat.

The PSNI has plans in place to achieve a balanced budget for 2014/15 and to achieve £135m of required savings over the four years of the spending review. However, although the PSNI has achieved a balanced budget over the current spending review, it faces a future shortfall of funding and has not yet moved to an operating model which can be paid for by its allocated budget. In addition, it does not yet have a comprehensive and co-ordinated assessment of the total demand facing the PSNI, both currently and in the future.

The PSNI is now facing additional significant challenges from the need to make further unanticipated savings during the current financial year, required by the Northern Ireland Assembly. The policing budget for the upcoming spending periods had not been set at the time of the inspection.⁵⁶

The PSNI has achieved recurring cost savings over the spending review, but it faces a future shortfall of funding and has not yet reduced its cost base to the required level.

⁵ Following the Stormont Agreement in December 2014 draft budget allocations have been made to PSNI

⁶ Northern Ireland Policing Budget: www.nipolicingboard.org.uk/index/faqs/police-budget.htm

Rising to the financial challenge

- The PSNI's financial planning is based on the assumption of growth in officer and staff numbers and on a continuing flat budget, for illustration, as the funding for PSNI beyond 2014/15 had not been agreed at the time of our inspection.
- The planned growth in officers and staff is not affordable within the projected budget beyond 2014/15. A residual funding gap of £104m is envisaged in 2018/19.
- Additional in-year savings requirements have placed more pressure on the service's financial resources and its planning scenarios.

Maximising efficiency: potential for further gains

- The work undertaken by the PSNI, in particular through its efficiency programme called Service First, is effective and appropriate but its scope so far has been limited to finance, human resources functions and district policing where it provides a rational approach to the allocation of resources across community, response and volume crime policing.
- The PSNI's commitment to community policing and the importance of having capacity for public order and to target the continuing terrorist threat is not supported by a detailed assessment of critical posts or capacity and capability needs.
- The PSNI is investing in technology to improve officer productivity and enable officers to work more efficiently. All response, neighbourhood and case preparation team officers are provided with Blackberry's which enable them to access police IT systems and they are well used.
- Monitoring of officer time out of the police station using a GPS system provides valuable management information on the visibility of officers.

Collaboration⁷ with other organisations

- Owing to its distance from forces in England, Wales and Scotland, the differences in its criminal justice system and the security situation, collaboration with other forces, as seen elsewhere, has been difficult. However the PSNI are working actively with other UK police forces on procurement. They work closely with the Home Office and ACPO and are a member of North West Regional Procurement Group

⁷ HMIC defines collaboration as an arrangement under which two or more parties work together in the interests of their greater efficiency or effectiveness in order to achieve common or complementary objectives; collaboration arrangements extend to co-operation between police forces and with other entities in the public, private and voluntary sectors

- The PSNI does subscribe to the 'Bluelight Procurement Database'⁸ and is involved in purchasing collaboratively using contracts set up by police forces in England and Wales. Similarly other forces use PSNI contracts for equipment purchases.
- Police forces in England and Wales provide mutual aid⁹ to police major events such as the G8 summit.
- Closer working with the private sector, other public sector organisations and the voluntary sector has brought about savings in ICT and transport contracts. This is an area where HMIC considers future savings can be made.

Continuing austerity

- Although the PSNI has achieved a balanced budget over the spending review, while work is ongoing, it has not yet moved to an operating model which can be funded by its allocated budget.
- Without a clearer understanding of the demands that the PSNI faces, it is hard for the force to identify its resource requirements and how these can be organised most effectively within an affordable operating model.
- The PSNI has yet to reconcile the efficiency programme, Service First, which aims to reduce the number of police officer posts for district policing with the resilience and capability review which recommends a strength of 6,963 police officers.
- Without clarity about the future operating model, it is difficult for the PSNI to be consistent when communicating with staff about the shift in culture that is needed to support change or to affect the shift that is needed.
- During the spending review, the PSNI is reducing its non-pay costs. It has made significant reductions in cost through rationalising the estate, from procurement, and from ICT contracts.
- The PSNI has a clear focus within its business support functions of a culture of cost reduction and continuous improvement led both by managers and by the budget planning processes. In 2014/15 the PSNI has identified savings of £14m from non-pay costs.¹⁰

⁸ The Bluelight Procurement Database (BLPD) is an online information hub aimed at improving visibility and access to contract and procurement information for buyers within the Emergency Services in the United Kingdom.

⁹ The continuing responsibility to train police officers from England and Wales in the public order tactics specific to PSNI, rests with PSNI

¹⁰ These savings were made before PSNI was required to make £38.4m in-year savings

Recommendations

Recommendation 1

Not later than 30 April 2015, the PSNI should:

- carry out an urgent review of its savings plan; and
- provide to the Northern Ireland Policing Board (NIPB) and to HMIC a comprehensive and detailed plan which specifies:
 - (a) a comprehensive assessment and understanding of current demand;
 - (b) an affordable organisational model; and
 - (c) evidence that the model for policing can respond to the assessed future demand that the force faces.

Recommendation 2

Not later than 30 April 2015, the PSNI should:

- carry out a review of its savings plan; and
- provide to the NIPB and HMIC a comprehensive and detailed plan which specifies:
 - (a) detailed plans for achieving savings for the next financial year that can be implemented within the required timescale; and
 - (b) options for savings beyond this spending review with an understanding of how these may affect the service it provides to the public.

Recommendation 3

Not later than 30 April 2015, the PSNI should:

- review its plans for increasing savings from collaboration with other organisations (in the public, private and voluntary sectors) in 2015/16 and 2016/17;
- consult the NIPB and HMIC on the amendments which it considers are necessary or expedient to improve the level of savings from collaboration to the greatest extent that is reasonably practicable; and,
- provide the NIPB and HMIC with amended collaboration plans that specify, in detail, the steps it will take in those financial years to improve its level of savings from collaboration to the greatest extent that is reasonably practicable

Introduction

The efficiency and effectiveness of the police depend on them having the resources they need to prevent crime, catch criminals and keep communities safe. When the 20 percent reduction to the central government funding grant was announced in October 2010, HMIC said it was committed to inspecting the forces' responses and the affect the reduction is having on the service it provides to the public. This is part of its remit to inspect the efficiency and effectiveness of police forces in England and Wales.

The inspection was designed to answer three principal questions:¹¹

To what extent is the force taking the necessary steps to ensure a secure financial position for the short and long term? Are there savings plans in place to reduce costs in line with budget reductions, and are they realistic? To what extent has the force considered what the future savings requirement may be and how best to achieve this?

To what extent has the force an affordable way of providing policing? What are the planned police officer and police staff reductions and what effect has this had on the force's workforces and how is this being managed? How has the force restructured to protect frontline services? To what extent is the force using collaboration and partnership working to achieve savings?

To what extent is the force efficient? To what extent has the force maximised its efficiency by understanding, managing and meeting its demand? How does technology support police officers to be more productive? What level of service is being provided to the public and how does the force measure this?

This report provides the findings for the Police Service of Northern Ireland.

¹¹ The answers to the questions did not inform graded judgements as PSNI was not part of the 2014 PEEL process

To what extent is the PSNI taking the necessary steps to ensure a secure financial position for the short and long term?

HMIC looked at the savings plans that the PSNI has developed in order to meet the financial challenges of the spending review, and for the year following this in 2015/16. It is also important that the PSNI looks to the future beyond 2016 in its planning, so we also explored how it is starting to prepare for further financial challenges.

Context for PSNI

The PSNI is funded directly by central government. This means it is financed differently from police forces in England and Wales. It cannot raise funds through a local precept (council tax), borrow funds, maintain strategic reserves or carry forward under-spends. PSNI does not have access to the ring-fenced counter-terrorism money which is available to Home Office forces within the UK (approximately £600m each year). PSNI bids for both its main grant and access to HM Treasury reserves through the NI Policing Board. In addition, there is short term funding for long term security needs but no separate funding for the historical enquiries team (HET).¹²

The PSNI is provided with 'available funding' from central government, but the PSNI makes an annual assessment of its 'resource requirement' necessary to deliver policing. In years 2014-2019 available funding does not match the required resources that the PSNI assesses that it will require.

RESOURCE (excludes Security Funding/ringfenced Resource DEL)	2014/15 £m	Indicative Funding 2015/16 £m	Indicative Funding 2016/17 £m	Indicative Funding 2017/18 £m	Indicative Funding 2018/19 £m
Available Funding (2014/15)	704.8	704.8	704.8	704.8	704.8
Resource Requirement	719.8	719.4	738.7	748.8	758.8
Surplus/(Shortfall)	(15.0)	(14.6)	(33.9)	(44.0)	(54.0)

¹² The Stormont House Agreement and financial annex states that legislation will establish a new independent body to take forward investigations into outstanding troubles-related deaths... overseen by the NIPB and funded by up to £150m over 5 years. Stormont House Agreement and financial annex'

Financial challenge

In 2010, the PSNI identified that it needed to make net baseline savings of £135.2m over the four years of the spending review (between March 2011 and March 2015). Unlike police forces in England and Wales the yearly savings requirement was greater in the last two years of the spending review period, than in the first two years.

The scale of the challenge

The PSNI, unlike forces in England and Wales, is not allowed to build or hold reserves. However, under the terms of the 2011-15 budget settlement, a facility was included that enabled the PSNI to build up £25m of 'carry forward funding' for use in 2013/14 and 2014/15. After drawing down £10m of this funding in 2013/14, a total of £15m will be used to close the projected deficit in 2014/15.

While the PSNI has achieved recurring cost savings over the spending review it has not yet reduced its cost base sufficiently. The planning assumption within the medium term resource plan is to increase the size of the workforce to 6,963 police officers and 2,601 police staff. This is not affordable within the projected budget beyond 2014/15.

Savings plans for 2014/15 and 2015/16

In February 2014, the PSNI assessed the financial challenge ahead in its medium term resource plan to 2018/19. This shows a balanced budget for 2014/15 and the achieved £135.2m of required savings over the four years of the spending review. These savings have been achieved through cost reductions of, for example, £14m in 2014/15, and by holding vacancies open in order to reduce expenditure and balance the budget. The impact of this has been offset, in part, by additional security funding of £245m over a four year period to 2014/15.

Beyond 2014/15 the PSNI envisages that the shortfall in its funding gap will grow to £104m. In the absence of firm future funding arrangements¹³, the medium term resource plan shows the PSNI is basing its planning on a flat budget (£704.8m) and an estimated resource requirement of £50m for security funding. The PSNI equates this shortfall as approximately 2,080 police officers or more than 3,466 police staff.

In May 2014, a further 1.5% (£11m) in-year cut was required by the Northern Ireland Assembly, as the PSNI contribution to the extra public sector savings needed in Northern Ireland. In addition the savings from the Winsor reforms (£4.3m) were deducted from the PSNI's baseline budget.¹⁴

¹³ Draft budget allocations were issued after the inspection was completed in December 2014

¹⁴ A further cut of £23.1m was implemented in November 2014

However the PSNI senior executive team decided that the planned police officer recruitment (378 posts) was to continue during the year. It also decided that no provision would be made for mutual aid or the pending ruling and possible costs for the police officer part-time (POPT) equal treatment cases¹⁵. Proposals to tackle these areas and deliver a balanced budget were developed in June 2014. In late July 2014, during our inspection, the PSNI was told it needed to prepare plans to make additional savings of up to 5% (£40m) in the remainder of this financial year (2014/15).¹⁶

In May 2014, the PSNI senior executive team had already considered a number of scenarios for 2015/16 including a budget cut of 1.5% and then an additional 1.5% cut. Further discussions as to how the additional savings could be identified were continuing during early August 2014.¹⁷

Outlook for 2016 and beyond

Looking beyond the current year, based on the staffing numbers of 6,963 officers and 2,601 staff and assuming a flat budget into the next spending review period, forecasts set out in the 2014/15 medium term resource plan estimate residual budget deficits of £33.6m for 2015/16, £83.9m for 2016/17, £94m for 2017/18 and £104m for 2018/19.

In May 2014, the PSNI senior executive team considered the budget for 2016 and beyond, particularly the uncertainties around funding arrangements. Security funding and policing the past will still present major challenges while the PSNI provides operational capability for day to day policing.

Summary

- The PSNI has plans in place to achieve a balanced budget for 2014/15 and achieve £135.2m of required savings over the four years of the spending review.
- While the PSNI has achieved recurring cost savings over the spending review it has not yet reduced its cost base to the required level.
- Additional in-year savings requirements have placed more pressure on the PSNI's financial resources and its planning scenarios.
- At the time of the inspection there were no firm funding arrangements for 2015/16 or beyond.

¹⁵ Case against the chief constable taken by part-time officers concerning equality in pay and conditions

¹⁶ The final in year savings requirement was confirmed after this inspection concluded at £38.4m

¹⁷ A Draft Budget reduction of 8.6% was communicated to PSNI on 1 December 2014

- The PSNI's financial planning is based on the assumption of growth in officer and staff numbers and on a continuing flat budget, for illustrative purposes.
- Growth is not affordable within the projected budget beyond 2014/15 and a residual funding gap of £104m is envisaged for 2018/19.

To what extent has the PSNI an affordable way of providing policing?

HMIC looks at how the PSNI is structured to provide policing. We ask if this is affordable as the PSNI responds to its financial challenge. We look at what the PSNI is doing to reduce its costs, how it is protecting the numbers of officers and staff working to fight crime and keep communities safe, and how it is making the required changes through its change programme.

Context

Between 1968 and 1998 a total of 3,526 people lost their lives during ‘The Troubles’ with another 53,000 plus people injured. Policing the past is a significant additional responsibility which is estimated to cost the PSNI £25m per year. This includes historical investigations and work to fulfil disclosure responsibilities to coronial inquests.

The PSNI has also faced a deteriorating security position over a number of years. The threat level was raised to ‘severe’ in February 2009 and since then the extent and sophistication of threat (including the level and capability of attempted and actual attacks) has continued to rise. Paramilitary activity, including shootings and beatings is a major concern and continues to affect vulnerable communities. The need for additional resources was recognised with an extra £200m being made available for security measures from HM Treasury reserves and £45m from the Northern Ireland Executive over the current spending review period.

PSNI recognises that partnership working and effective collaboration are necessary to increase efficiency and improve services. PSNI has sought to work closely with partner organisations at a national level and locally to achieve efficiencies and improve services. The establishment of Police and Community Safety Partnerships (PCSPs) in each local council has encouraged collaborative working at a tactical level¹⁸. There are opportunities to build on this when, following the Review of Public Administration, 11 larger councils will be formed from the current 26 council areas. These new councils, working with ‘community planning partners’, are under a duty¹⁹ to identify long term objectives to improve the social, economic and environmental well-being of the district. It is anticipated that these steps will generate greater opportunities for collaborative working.

¹⁸ Part 3 Justice (Northern Ireland) Act 2011

¹⁹ Local Government Act (Northern Ireland) 2014 section 66

How the PSNI provides policing

Northern Ireland occupies 5,461 square miles. The province has six counties and five cities, of which Belfast is the capital and main urban area. The population of Northern Ireland is estimated to be in the region of 1.75 million.

The PSNI replaced the Royal Ulster Constabulary in 2001 as a 'new start' for policing following the Good Friday/Belfast Agreement of 1998.

Responsibility for policing in Northern Ireland now rests with the Northern Ireland Assembly (following the devolution of policing and justice in April 2010). However, national security remains the responsibility of Westminster (the security service is accountable to the Home Office for their activities in Northern Ireland, not the Northern Ireland Assembly).

The Northern Ireland Policing Board (NIPB) was formed in 2001. It is an independent public body made up of 19 political and independent members. The ten political members are all Members of the Northern Ireland Assembly, the nine Independent Members are appointed by the Justice Minister. The NIPB is chaired by an independent member. The board holds the chief constable to account for his actions and those of his staff. Its remit is to secure for all the people of Northern Ireland an effective, efficient, impartial, representative and accountable police service which will secure the confidence of the whole community, by reducing crime and the fear of crime. The PSNI puts in bids to central government, for both main grant and access to HM Treasury reserves, through the Board.

The PSNI is currently divided into two policing commands (each led by an ACC) containing eight policing districts. Belfast comprises districts A and B, which with the adjoining C and D districts form the urban command; the remaining four districts are E, F, G and H (rural command). Each district is led by a chief superintendent. An options paper is currently circulating which proposes restructuring the districts to reflect the new council boundary arrangements²⁰. However no costings were attached to this at the time of the inspection.

Local accountability is through police and community safety partnerships (PCSPs, formerly called district policing partnerships) where the PSNI agrees and accounts for local policing plans.

²⁰ In April 2015 the 26 councils will be replaced by 11 new councils

The PSNI's new style 2014-2017 policing plan is focused on improving community confidence in policing. All the measures, impacts and outcomes in the plan have been designed to improve service delivery, engagement with the community and how the PSNI works in partnership with other agencies. The plan puts significant focus on people in the community who are the most vulnerable and aims to ensure that the police provide the protection needed to make the community feel safe.

Collaboration

HMIC monitors forces' progress on collaboration because it offers the opportunity to provide efficient, effective policing and help to achieve savings.

Owing to its distance from forces in England, Wales and Scotland, the differences in its criminal justice system and the security situation, collaboration with other forces as seen elsewhere has been difficult.

However, other UK police forces do provide mutual aid, such as in policing the G8 summit. This required a significant investment in training of officers from England and Wales to ensure operational tactics were compatible with those in Northern Ireland.

The PSNI is actively engaged with Home Office and Government Procurement Services initiatives. The PSNI subscribes to the 'Bluelight Procurement Database' and are involved in collaborative purchasing using contracts set up by police forces in England and Wales. Similarly other forces use PSNI contracts for equipment purchases.

The PSNI also works with the Central Procurement Directorate (CPD), which runs all their procurement competitions, and gives them access to a range of other public sector contracts.

Closer working with the private sector, other public sectors and the voluntary sector has brought about savings such as in ICT and transport contracts, through outsourcing; HMIC considers this is an area where future savings can be made.

Managing change

HMIC expects the PSNI to look at transforming its organisation in the longer term, which can help maintain or improve the service it offers to the public and prepare for future funding reductions.

At the time of the inspection the force did not have an overarching change or transformation programme. In May 2013, Criminal Justice Inspection Northern Ireland (CJINI) recommended a fundamental review of the way that the PSNI provided policing.

Service First was developed as a continuing programme of work aiming to ensure that police resources are being used as effectively and efficiently as possible.

The PSNI identified that the main elements of its efficiency programme during this spending review were:

- use of business improvement methodologies;
- making processes more efficient and reducing bureaucracy;
- structural change in local policing;
- structural change in protective services;
- structural change in operational support.

The PSNI identifies that the main elements of its efficiency programme as it responds to future financial pressures will include:

- use of business improvement methodologies;
- partnership working;
- priority-based budgeting;
- making processes more efficient and reducing bureaucracy;
- better alignment of resource to demand.

Independent analysis of the main operational areas has taken place with the intention of meeting current demand with fewer people and resources by streamlining core policing functions.

Areas of business such as human resources and finance have been reviewed and crime operations are to be reviewed; however, these are discrete reviews and are not aimed at achieving wholesale transformation. The PSNI's internal auditors assessed and complimented the methodology used by Service First, but recommended that it be developed across the organisation and provide a force-wide, strategic overview.

Furthermore, whilst Service First has defined the desired model for normal day-to-day policing, this model is not designed to cater for periods of enhanced demand, such as security and public order policing. To plan for enhanced demand and the necessary contingency arrangements a separate review of resilience and capability was also prepared. This envisages growth in numbers for staff and officers to cope with enhanced demand unique to Northern Ireland.

How is the PSNI supporting its workforce to manage change and effective service provision?

The PSNI does not yet have an overall change strategy. The current governance structure and programme boards for managing change are not operating as effectively as they could. Currently there is some overlap and confusion about the role of the Service First programme board and the resource, demand and risk committee, which means that it is not clear which group managers and senior officers need to go to for resources. A recent internal review of governance recommended a new streamlined approach to provide more clarity over accountability and decision making

Front line officers have some understanding of the scale of the financial cuts and the future uncertainties. Staff are aware of the need to make savings but they are not aware of the detail, nor of the transformation needed for the force. Staff have also expressed concerns to HMIC about reducing the number of officers on the ground; they report overtime levels are high and that officers are asked regularly to work on rest days. This perception and any implications for officer safety and the quality of service to the public will be tested in future inspections.

How is the PSNI achieving the savings?

The efficiency savings programme, Service First, has achieved £14m of savings. These savings have come from the areas of procurement, contracts, estate and ICT. For example, ICT went through all its contracts to look for savings of 20 percent, this meant some redesign and restructuring of IT systems, resulting in around £7m annual savings.

A seven year managed services contract is in place with a private provider for a range of business critical activities such as enquiry assistants, call handling, property managers, and station security staff. However, the PSNI provides training, manages retention, and supplies uniforms for the contractor and if contract staff are not available an officer will backfill the role. The costs are not recovered from the contractor when this happens. The contract for managed services is due for review to ensure value for money.

Buildings within the PSNI's estate are designed to resist mortar attacks. The PSNI is now 'softening' the appearance of security measures at some buildings, while maintaining the security of officers and staff. The estate has been rationalised from 135 buildings down to 57. Canteens and armouries have been closed and the PSNI is now looking to reduce custody facilities. This means that the PSNI has saved on running costs, outsourced services where possible, renegotiated contracts and re-procured items. However, the opportunities to secure savings in these areas of expenditure are limited as the available savings have largely been realised.

Police forces in England and Wales experienced a period of growth in police officer and police staff numbers in the period leading up to 2009, and most of the savings required by subsequent spending reviews in these forces have come from slowing or stopping police recruitment, and reducing the number of police staff. By contrast, since PSNI's creation in 2001 it has reduced in size continuously.

In 1998, there were 11,617 police officers in the RUC supported by a military strength of 15,760. The full-time reserve was completely phased-out and military support ended before the devolution of justice matters to the Northern Ireland Assembly in 2010. In 2010, the PSNI conducted a workforce review which considered the level of police officers and police staff required to deliver policing during 2011-14. This was also the catalyst for moving some 600 police officers from back office roles onto the front line. The review concluded that 7,005 police officers and 2,701 police staff were required to deliver effective and efficient policing, taking into account the challenges to be faced during this period. In 2013, the PSNI carried out a review of resilience and capability and recommended that, based on the Patten report's scenario 2²¹, the PSNI strength should be 6,963 officers (including 260 security-funded posts). The current operating model and the PSNI's financial planning are based on these figures; this is not affordable within the neutral budget, used by the PSNI for illustrative purposes and PSNI will have to consider alternative workforce models and further opportunities to make savings when the budget allocation for 2015/16 and beyond is confirmed.

Looking at changes to the frontline workforce during the spending review period has, for the main valuing the police programme, been a mechanism for assessing how well a force has been able to preserve its capability in these public-facing roles.

The following table shows the force's planned changes to workforce numbers during the spending review period, and compares these to the change for England and Wales.

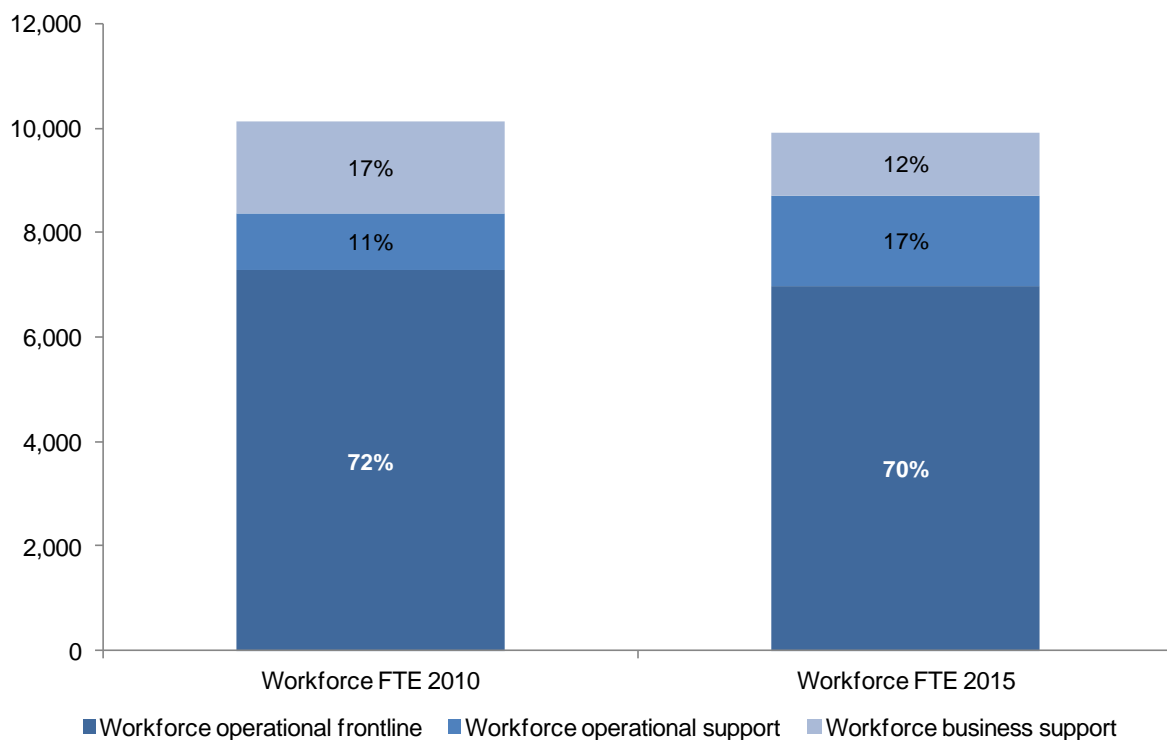
	March 2010 FTE	March 2015 FTE (planned)	Change	% Change	England and Wales % change
Police officers	7,367	6,854	-513	-7%	-11%
Police staff	2,438	2,601	163	7%	-17%
Other - POPT (police officer part-time)	703	468	-235	-33%	-
RUCR FT Reserve	382	0	-382	-100%	-
Total workforce	10,890	9,923	-967	-9%	-14%

²¹ Patten Report's Scenario 2 – The level of terrorism is greatly reduced, although terrorist organisations remain fully armed and trained: intimidation, punishment beatings, racketeering and public disorder continue. A high level of policing is needed; military is available but much less publically evident.

For PSNI-planned workforce reductions for officers and staff, the total workforce is below the national picture and while forces across England and Wales have planned the biggest reduction in police staff, PSNI have planned for an increase in this area.

HMIC defines the people who work on the police frontline as those who are in everyday contact with the public and who directly intervene to keep people safe and enforce the law. The following tables demonstrate this frontline profile of PSNI's workforce. However, please note all proportions and FTE breakdown for operational frontline, operational support and business support are given as the sum of the component parts and do not reconcile with overall workforce totals as shown in the table above.

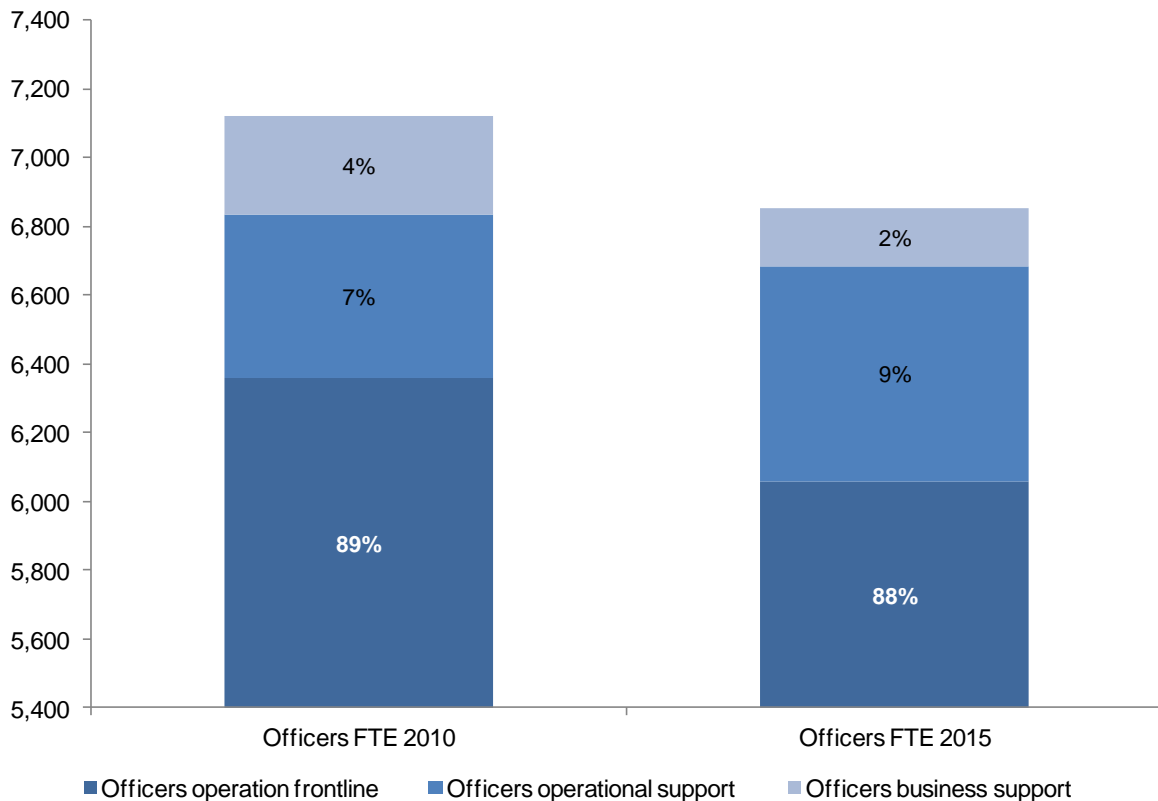
The following chart shows the planned change in the workforce's frontline profile in PSNI.



Note: England and Wales report a planned increase in the proportion of workforce on the front line from 74 percent in March 2010 to 78 percent in March 2015.

The number of PSNI's workforce in frontline roles is planned to reduce by 966 from 7,946 in March 2010 to 6,980 by March 2015, as the previous chart shows. The proportion of those remaining on the front line is projected to decrease from 73 percent to 70 percent. This compares to an overall increase across England and Wales from 74 percent to 78 percent.

The number of PSNI's police officers in frontline roles (operational frontline) is planned to reduce by 513 from 7,367 in March 2010 to 6,854 by March 2015, as the following chart shows. The proportion of those remaining on the front line is planned to decrease from 89 percent to 88 percent. This compares to an overall increase across England and Wales from 89 percent to 92 percent. The following chart shows the projected change in police officers' frontline profile.



Note: England and Wales report an increase in the proportion of police officers on the front line from 89 percent in March 2010 to 92 percent in March 2015.

Summary

- Although the PSNI has achieved a balanced budget over the spending review, it has not yet moved to an operating model which is affordable within its allocated budget. The current operating model is predicated on police officer strength of 6,963 (6,693 main grant; 260 security funded; 10 other) which means the force has a projected budget deficit for 2015 and beyond. Additional cost pressures such as absorbing the cost of HET, and potential in-year reductions complicate the financial outlook.

- Without a clear understanding of the demand the PSNI faces, it is hard for the force to identify its resource requirements and how these can be most effectively organised within an operating model which is affordable. The PSNI has yet to reconcile the efficiency programme, Service First, to reduce the number of police officer posts for district policing, with the resilience and capability review that recommends maintaining a 6,963 figure.
- Without clarity about the future operating model, it is difficult for the PSNI to be consistent when communicating with staff or to affect the cultural shift that will support change.
- Over the spending review, the PSNI is bearing down on non-pay costs. It has made significant cost reductions by reducing the estate, from procurement, and on ICT contracts. The PSNI has a clear focus within its business support functions of a culture of cost reduction and continuous improvement driven both by managers and through the budget planning processes. In 2014/15 the PSNI has identified savings of £14m from non pay costs.
- Given the size of the managed services contract and the fact that it has been added to over time, the PSNI now needs to assure itself that the relevant skills and expertise are involved in managing the contract and getting good value for money.

To what extent is the PSNI efficient?

HMIC looked at how the PSNI understands the demands that it faces and how it allocates both financial resources and staff to meet these demands. We looked at how these decisions are delivering effective results for the public in particular, that police are visible, they attend promptly when called, are fighting crime and keeping communities safe and that victims are satisfied with the service they receive.

How well does the force understand and manage demand?

The PSNI has not yet carried out a comprehensive analysis of the total demand it faces. In common with forces in England and Wales, it does however carry out an annual strategic threat and risk analysis. Drawing on both internal information and data from partners, this is used to develop the policing plan; but this does not provide the level of detail and depth of understanding necessary to enable the PSNI to make the most effective use of current and future resources.

It has carried out a detailed analysis of calls for police help as part of the Service First efficiency programme. The information from this analysis has been used extensively to develop changes to the way that district policing is organised. Reviews of other specific service areas have analysed demand in those areas, such as public protection and crime investigation. While each of these helps to show the demand on the force, there has been no comprehensive and co-ordinated assessment of the total demand facing the force currently and into the medium and longer term. As a result, the PSNI has no solid evidence base on which to develop the best way to organise policing and to determine the optimum staffing numbers required. The assessment of demand in policing is complex and the College of Policing is undertaking a piece of work to support forces in making more effective assessments.

How efficiently does the force allocate its resources?

The PSNI faces some unique challenges in terms of the way it allocates its resources compared to the rest of the United Kingdom. Not only does it need to make extra provision for officer safety and welfare; it also has a legacy of the past troubles which it has to police. This brings a requirement to use a significant proportion of available police resource in investigating historic crimes and responding to the demands of the community for information relating to past investigations. Many of the PSNI's most experienced detectives are allocated to the historic enquiries team rather than dealing with today's crimes. The PSNI estimates that around 30 percent of police resources are spent every year on 'policing the past'.

The PSNI has an explicit commitment to community policing and the need to improve public confidence in the police. It has developed a 'policing with the community' strategy to work with local communities in a better way, build confidence and keep them safe. The PSNI also has a strong commitment to ensuring that it maintains sufficient capacity and resources for public order and to target the continuing terrorist threat. However HMIC was disappointed to find that there has been no detailed overall assessment of the critical posts that must be maintained, or a comprehensive analysis of the capacity and capability needs of the PSNI, beyond the limited analysis undertaken for parts of the PSNI through Service First and other individual specific reviews. We found that neighbourhood staff are frequently taken out of their district roles to support public order activities and capacity is stretched within the response teams. Officers told us that they have limited opportunities to patrol crime hotspots proactively because they are continually responding to new incidents.

The PSNI has taken steps to improve efficiency. Using the Service First programme it has examined elements of district policing. It is in the process of reorganising the way it responds to incidents in order to improve the quality of service to the public at the same time as policing with fewer officers. Dedicated case progression teams (CPTs) are being set up in each of the eight districts. Officers from both response and neighbourhood teams are transferring to work in the new CPTs; their role is to take over incidents after the initial attendance and response, to assess what further action is needed and to progress any cases for prosecution or other sanction. This intends to improve the timeliness of the initial response as response officers are freed up from any follow-up investigations. It also aims to improve the quality of investigation and prosecution cases, ensuring that offenders are brought to justice quickly and effectively.

The PSNI is investing in technology to improve officer productivity. Police vehicles are fitted with automated location software based on GPRS systems. This enables the control rooms to locate the nearest available vehicle to send to an incident. The system provides useful management information about how efficiently each vehicle is used and can also be programmed with 'waymarkers' which identify the vicinity of crime and anti-social behaviour hotspots for patrolling. All officers are issued with Blackberry devices which give them remote access to police databases enabling them to remain out on the district for longer.

How does the force respond and keep its communities safe?

The challenge for the PSNI is not just to save money, but to ensure the choices it makes in deciding how to achieve this do not have a negative impact on the service it provides to its communities. HMIC therefore looked for evidence that how the PSNI responds and keeps communities safe is at the heart of its choices.

Calls for service

HMIC examined whether the PSNI was taking longer to respond to calls for help, as a result of its reductions in workforce 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.

We found that over the four years since 2010, the PSNI had maintained the same target response times of 20 minutes for calls classed as 'emergency' (also known as Grade 1). Over the same period, calls classed as a 'priority' (also known as Grade 2) had a target response time of within 60 minutes.

The following table compares the service's performance in 2010/11 to 2013/14.

Calls for service	2010/11	2013/14
percent urban emergency calls on target	87.6%	91.6%
percent priority calls on target	88.4%	93.1%

Over the spending review, the number of emergency calls attended within target has risen.

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. The chief constable necessarily allocates resources to many other functions in order to protect the public, such as counter terrorism, serious and organised crime, and public protection (to name just three).

That being said, research shows that the public values seeing 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 police force. HMIC therefore examined how far the changes being implemented by the PSNI had affected the visibility of the police in Northern Ireland.

In 2014, the PSNI allocated 53 percent of its police officers to visible roles. This is the same compared to the proportion allocated in 2010, but it is still lower by 3 percent than the figure for England and Wales (which was 56 percent).

Police visibility is further enhanced by part-time police officers (POPTs) who principally support community policing.

Crime

Between 2010/11 and 2013/14 (which includes the first three years of the spending review), the PSNI reduced recorded crime (excluding fraud) by 2.7 percent, compared with a reduction of 14 percent 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 4.2 percent, compared with 14 percent in England and Wales.

Looking just at the last 12 months, recorded crime (excluding fraud) rose by 2.4 percent, which is worse than the 1 percent reduction for England and Wales.

By looking at how many crimes occur per head of population, we can get an indication of how safe it is for the public in that police area. The table below shows crime rates in Northern Ireland (per head of population) compared with England and Wales.

12 months to March 2014	Rate per 1,000 population	England and Wales rate per 1,000 population
Crimes (excluding fraud)	55.2	61.1
Victim-based crime	50.0	54.3
Sexual offences	1.2	1.1
Burglary	5.0	7.8
Violence against the person	17.7	11.1

It is important that crimes are effectively investigated and the perpetrator identified and brought to justice. When sufficient evidence is available to identify who has committed a crime, it can be described as detected. The PSNI's detection rate (for crimes excluding fraud) for the 12 months to March 2014 was 27 percent. The detection rate in England and Wales is 26 percent.

We have chosen these types of crime to give an indication of offending levels in the province of Northern Ireland in comparison with England and Wales.

Public confidence

An important measure of the impact of changes to its service for the public is the level of confidence the public have in the service that PSNI provides.

From PSNI's perceptions of policing, justice and antisocial behaviour survey, in the 12 months to March 2013, 65 percent of respondents agreed to have "overall confidence in the local police". In the 12 months to March 2014, 67.1 percent of respondents agreed to have "overall confidence in the local police". This is not a statistically significant change since the previous year.

Changes to how the public can access services

Forces are exploring different ways in which the public can get access to policing services.

At the start of the spending review period the PSNI had 82 police stations and 82 front counters. Over the spending review period, the force projects a reduction of 19 police stations and 19 front counters. It will offset this by introducing shared access points where police services can be accessed.

Summary

- The PSNI does not yet have a comprehensive and co-ordinated assessment of the total demand facing the force, now and into the future. The assessment of demand in policing is complex and the difficulties assessing this are also recognised by police forces in England and Wales.
- The work undertaken, in particular through the efficiency programme, Service First, is effective and appropriate but it is limited to individual parts of the PSNI. For example, district policing does provide a rational approach to the allocation of resources across community, response and volume crime policing.
- The PSNI's commitment to community policing and the importance of having capacity for public order and to target the continuing terrorist threat is not supported by a detailed assessment of critical posts or capacity and capability needs.
- The PSNI is investing in technology to improve officer productivity and enable officers to work more efficiently. All response, neighbourhood and CPT officers are provided with Blackberry's which enable access to police IT systems and they are well used. The monitoring of officer time out of the police station using a GPS system provides valuable management information on how visible officers are in the community.