



Inspecting policing
in the public interest

South Wales Police's response to the funding challenge

July 2013

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South Wales Police: Executive summary

South Wales Police faces a smaller financial challenge compared to other forces but it polices a complex environment. Policing the capital city of Wales presents particular challenges.

The force is making good progress towards delivering its savings requirement. It has already saved 72% of the total savings needed largely through restructuring and reducing the size of its workforce. South Wales Police has used technology well to support the efficient working of frontline officers and has an approach to change characterised by innovation and strong staff engagement.

So far, we are satisfied that the force is making savings without reducing the service to the public and is putting itself in a strong position to manage future changes in funding.

Financial challenge

South Wales Police has identified that it needs to save £33.6m over the four years of the spending review (i.e. between March 2011 and March 2015).

As a proportion of its overall budget (12%) this savings requirement is less than that of most other forces although the force faces a moderate challenge because the amount of money it receives¹ is comparatively high given the size of the population in South Wales but it has more officers than most other forces and so a comparatively high pay bill. The amount it spends on each officer and staff member is also higher than most other forces.

Progress in making savings

South Wales Police has planned how it will save £33.5m of the £33.6m required by March 2015. It needs to find a further £0.1m² of savings. The force is predicting that it will save over £1m more than it needs to this year to achieve a balanced budget by 2015.

Changes to the workforce

All forces spend most of their money on staff costs (such as wages and overtime). They have focused on reducing this expenditure to cut costs.³ South Wales Police is no exception.

South Wales Police has reduced police officer numbers by requiring police officers to retire as soon as they have completed their full 30 years pensionable service, using medical retirements where appropriate and limiting recruitment. As a result, by the end of the spending review period, it is planned that there will be 303 fewer police officers in

¹ From the central police funding grant, and from other sources such as council tax.

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

³ See *Adapting to Austerity*, HMIC, London, July 2011, p.13. Available from www.hmic.gov.uk.

South Wales. This means the number of police officers in South Wales will reduce by 10% between March 2010⁴ and March 2015; this is a similar reduction to that required by most other forces.

South Wales Police was notable in not providing HMIC with planned numbers to 2015 for frontline police officers. At the time of the inspection, the detail was still being developed. Between March 2010 and March 2013, the proportion of police officers in frontline crime-fighting roles decreased from 89% to 87%. This compares to an overall increase across England and Wales from 89% to 91%.⁵ However, we saw evidence of the force's commitment to visible local policing.

The force has also made some police staff redundant and not replaced others as they have left (e.g. through retirements and resignations). As a result, by the end of the spending review period, there will be 245 fewer police staff in South Wales Police. This means the number of police staff will reduce by 14% between March 2010 and March 2015; this is a smaller reduction than in most other forces. The force is receiving additional funding from the Welsh Government to increase the number of community support officers (CSO) by 171. This is an increase of 51% when most other forces are cutting CSO numbers.

Impact on the public

HMIC expects forces to make savings without damaging the service provided to the public. We monitor whether they are achieving this by examining crime rates, and the results of the victim satisfaction surveys which all forces conduct.

Over the first two years of the spending review, recorded crime⁶ (excluding fraud) fell by 10% in South Wales, which is a smaller reduction than the figure for England and Wales (13%). Victim satisfaction remains high at 86.2%⁷ – this is higher than other forces.

This improving performance indicates that South Wales Police has made savings without having a detrimental effect on the service it provides to the public.

Future challenges

Although savings plans still show a small funding gap at the end of this spending review period, the force anticipates exceeding its targets for savings in 2013/14. The force has good leadership capability and capacity to face future challenges.

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

5 This is a different time period than is used within other force reports.

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

7 $\pm 1.0\%$.

The challenge

Over the four years of the spending review (March 2011 to March 2015), South Wales Police identified that it needs to find savings of £33.6, which equates to 12% of its total expenditure⁸ (which in 2012/13 was £278.6m). Across England and Wales a 17% reduction in total expenditure is required.

Progress in making savings: Years 1–2

South Wales Police successfully made 72% (£24.3m) of the total savings required by March 2015 in the first two years of the spending review period. The majority of these savings came from pay costs. The force made an early start by restructuring its policing model, moving from six basic command units to four, with a smaller workforce and lower support costs. The force reduced the size of its workforce through: requiring police officers to retire as soon as they have completed their full 30 years pensionable service; using medical retirements where appropriate; making some police staff redundant; and limiting recruitment.

Plans for Year 3–4

South Wales Police has plans in place to achieve further savings of £3.4m in 2013/14, and another £5.9m in 2014/15. This leaves a funding gap of £0.1m at the end of the spending review period. However, the force predicts that it will save £1m more than originally planned during 2013/14, which will ensure a balanced budget by the end of the spending review period.

Looking beyond the current spending review

The force has started to consider what savings it might need to make after March 2015. The medium term financial strategy extends to March 2017. It sets out the expected savings required, including the amount the force anticipates receiving from council tax. Detailed planning has commenced on a substantial programme of further change supported by continuous improvement.

The scale of the challenge in South Wales

As a proportion of its overall budget (12%) the savings requirement for South Wales Police is less than that of most other forces although the force faces a moderate challenge because:

- it spends more per head of population than most other forces in England and Wales;
- it has more police officers per head of population;

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

- the cost of police officers and police staff per head is higher than most other forces in England and Wales, and
- it has one of the highest relative demands for policing services in England and Wales.

Demand

Forces face different levels of demand for the service they provide to the public. This section looks at three of the key indicators of demand to provide an overall impression of the challenges each force faces:

- the number of calls the force receives from the public;
- the number of crimes the force deals with; and
- the number of prosecutions (suspects charged with offences) the force brings.

12 months to March 2013	South Wales	England and Wales
Emergency and priority calls per 1,000 population	178	134
Victim-based crime per 1,000 population	56.2	54.5
Prosecutions (charges) per 1,000 population	14.0	10.2

This table shows that, in 2012/13, South Wales Police received more emergency and priority calls from the public and dealt with more crimes than other forces, resulting in a higher rate of prosecutions than most other forces. The scale and complexity of incidents routinely dealt with by the force and the additional issues involved in policing a capital city make it unique within Wales.

How difficult is the challenge?

Although South Wales Police has a smaller financial challenge than other forces it has high levels of demand and a range of capital city policing issues.

Response to the challenge

Forces deliver their response to the savings requirement through a change programme. Over 80%⁹ of a police budget (on average) is spent on staff costs, it is not surprising that forces across England and Wales plan to achieve most of their savings by reducing the number of police officers, community support officers (CSOs) and police staff employed.

South Wales Police is no exception. It made an early start on this in 2010, when it slowed its recruitment of new police officers and police staff, and reduced the number of police staff. The force plans to make 89% of its spending review savings requirement from its pay budget. This is a higher proportion than in most other forces and suggests that there may be more South Wales Police can do to bear down on non-pay costs such as expenditure on goods and services.

Changes to workforce numbers

The following table shows the force's planned changes to workforce numbers over the spending review period, and compares these to the change for England and Wales.¹⁰

	31 March 2010 (baseline)	31 March 2015	Change	South Wales change %	Change for England and Wales %
Police Officers	3,148	2,845	-303	-10%	-11%
Police Staff	1,810	1,565	-245	-14%	-16%
CSOs	335	506	+171	+51%	-17%
Total	5,293	4,916	-377	-7%	-13%
Specials	248	210	-38	-15%	+60%

Overall, the table shows that South Wales Police plans to lose a slightly smaller proportion of officers than in other forces. Staff numbers will also decrease by less than the average while CSO numbers are set to rise considerably. Overall workforce reductions are almost half the average for England and Wales.

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

¹⁰ Workforce figures for March 2010 show the actual number of people working for the force in permanent posts on the 31 March in that year. People on long-term absences (such as maternity leave) are included in these 'actual' figures, but vacant posts are not. Workforce projections for March 2015 are for budgeted posts, so the actual number of people who will be working for the force at that point in reality may be different, because some posts will be vacant or filled by temporary staff. Forces' projections may also exclude people who will be on long-term absences. The difference between actual workforce numbers and projected numbers should therefore be taken as an approximate expected change.

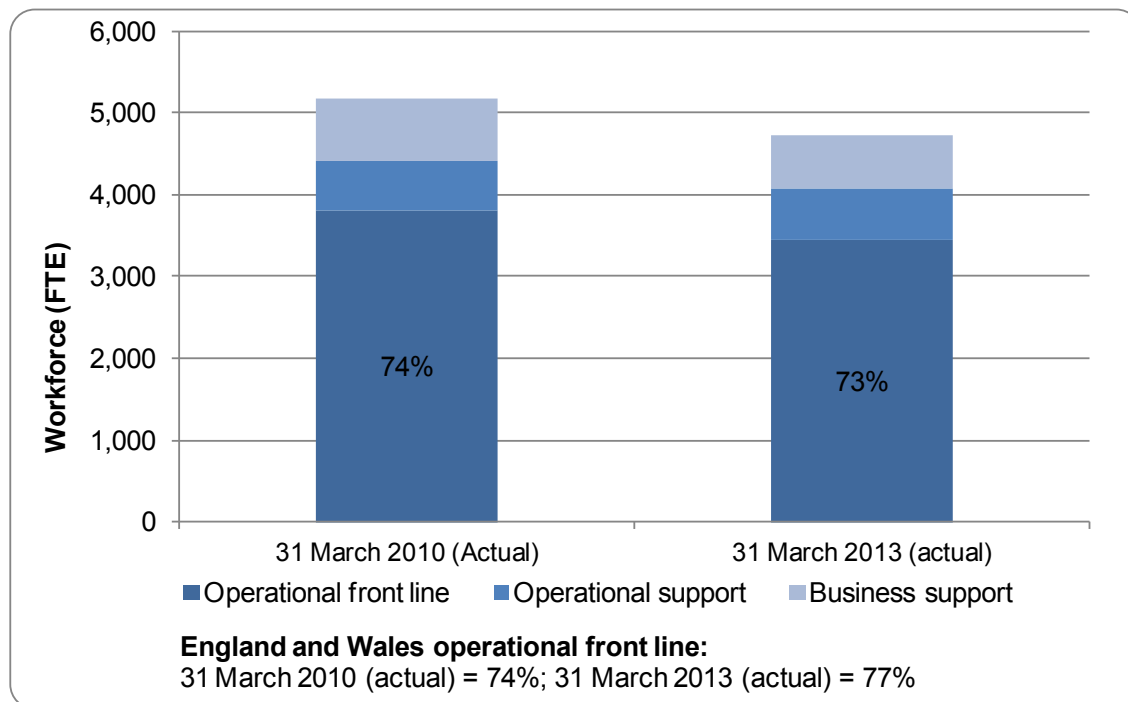
Changes to the proportion of workforce on the front line

HMIC defines the people who work on the police front line as: *“those who are in everyday contact with the public and who directly intervene to keep people safe and enforce the law”*. It is important that as forces reconfigure their structures and reduce workforce

numbers, they focus on maintaining (or if possible increasing) the **proportion** of people in these crime fighting roles.¹¹

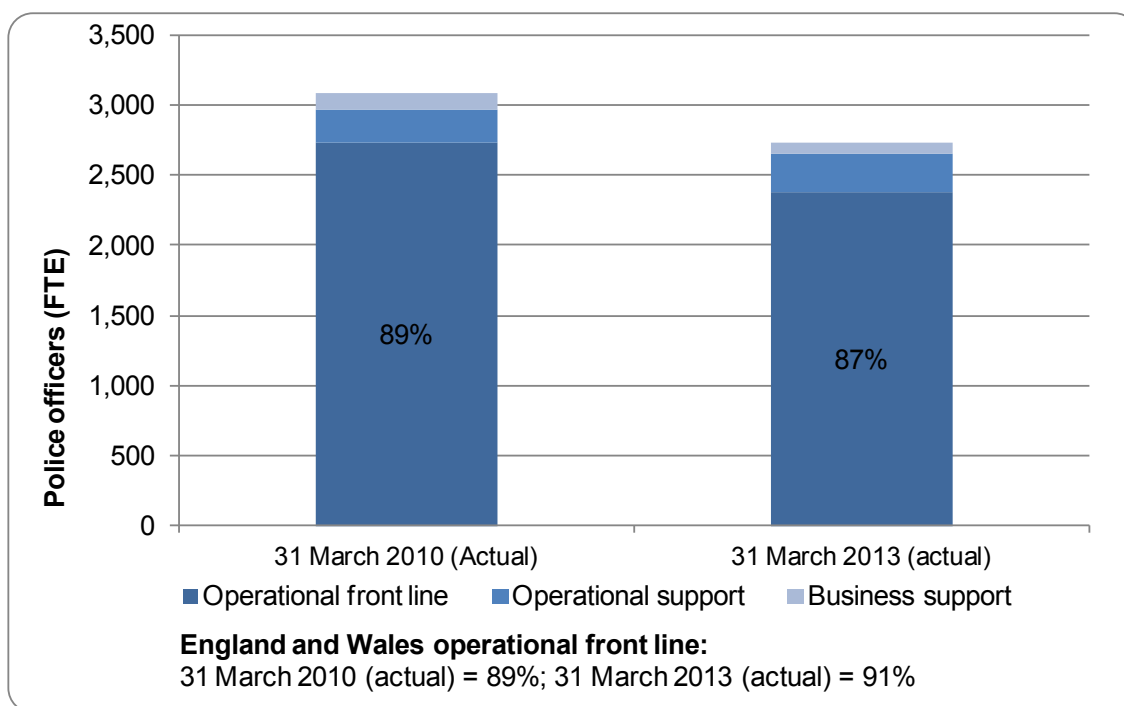
South Wales Police has not provided HMIC with detailed workforce plans which show how the planned reductions impact on the frontline. It is the only force in England and Wales not to do so. From 2010 to 2013 total workforce numbers in frontline roles reduced from 3,812 to 3,443 and the total number of police officers working in these roles reduced from 2,735 to 2,373. However, we saw evidence of the force’s commitment to visible local policing

Of the total workforce, the proportion engaged in frontline roles decreased slightly from 74% in March 2010 to 73% in 2013. This compares with the figures for England and Wales where there was an increase from 74% to 77%.



The **proportion** of South Wales’s police officers engaged in frontline roles decreased from 89% in March 2010 to 87% in 2013, as the chart on the next page shows. This compares with the figures for England and Wales where there was an increase from 89% to 91%.

¹¹ From 2010 Gwent, the Metropolitan Police Service, Wiltshire and North Wales police forces chose to code those officers and staff who are on long-term absence from duty due to maternity/paternity leave, career break, full-time education or suspension, and those on long-term leave, to their normal working role. This has the effect of inflating their workforce and frontline figures by up to 1% compared to other forces.



Collaboration

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

HMIC found that South Wales Police has a mature approach to collaboration and a range of well established arrangements with other forces, with public sector partners and with the private sector. The force makes good use of collaboration to improve performance, capacity and capability, and to deliver savings. It also sees collaboration as important in bolstering its ability to meet the Strategic Policing Requirement. For example, South Wales Police is a key partner in the All Wales Extremism and Counter Terrorism Unit (WECTU) which has provided one special branch for the whole of Wales for a decade. The force also has a wide range of successful joint operational arrangements with Gwent and with Dyfed-Powys police forces, with clear evidence of improved performance and cost savings.

The force also uses partnerships with the private sector to deliver both operational and support services; for example, the contract with G4S which provides custody services.

The force is also actively working in partnerships with other public sector agencies to manage demand and improve joined-up services across South Wales, for example, with Wales Ambulance Trust, local authorities and mental health services.

In spite of this range of collaborations, in 2014/15 the force expects to spend only 8% of its total expenditure on collaboration, which is lower than the 11% figure for England and Wales. Overall, collaboration is expected to contribute to 5% of the forces savings requirement, which is lower than the 7% figure planned for England and Wales.

¹² HMIC defines collaboration as "all activity where two or more parties work together to achieve a common goal, which includes inter force activity and collaboration with the public and private sectors, including outsourcing and business partnering".

Managing change

Reductions in police budgets have inevitably led to a shrinking workforce. HMIC expects forces also to have an eye within their change programmes on the longer term transformation which can help maintain or improve the service they offer to the public and prepare for future funding reductions.

In 2010, the force launched 'Project Reform' based on: *'being the best at understanding and responding to our communities' needs*. This is a transformational programme which aims to:

- reshape South Wales Police, in order to place the public at the heart of everything the force does;
- support the force's five year strategic plan;
- meet the austere financial constraints over the next five years; and
- maintain performance in line with the force's aim of being one of the best performing forces in England and Wales.

Under the banner of Project Reform, the force developed a programme of savings plans based on the findings of internal reviews using 'Lean' methodology. This resulted in the new policing model, which reduced six basic command units to four and replaced seven control rooms with a single Public Service Centre. The workforce was rationalised; management structures were streamlined; and middle and back office functions re-configured.

The force has exploited the opportunities presented by ICT more effectively than many other forces. The force told us that their resource management technology has supported them in doubling the amount of time CSOs spend on the street (from 40% to 80%). Police officers can use their mobile data devices to search key systems for records and intelligence but also to record stop and search.

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

HMIC found South Wales Police was genuinely committed to engaging with the workforce and developing the foundations for sustainable cultural change. The force recognises the importance of organisational culture in the management of change. Staff associations have been fully involved and consulted on formal proposals. Representatives we spoke to were positive about the change. They describe an open relationship and believe that the force understands its culture and is managing change appropriately. The force cites this open and transparent engagement as being the key to the success of Project Reform which involved difficult decisions on staff reductions at an early stage.

Changes to the policing model have been broadly welcomed by staff. Early resistance was overcome when the positive impact of the changes became apparent, although some officers did highlight concerns about the risk of de-skilling response officers as a result of the introduction of investigative support units. However, overall staff clearly understood the need for change and the scale of the savings required. They identify strongly with the South Wales Police family.

How effective has the response been?

South Wales Police has developed a comprehensive change programme which reduces costs and restructures the organisation to better fight crime.

HMIC found that good progress has been made, the majority of savings have already been delivered and the capability and capacity of the force leadership is strong.

Impact of the changes on the public

The challenge for forces is not just to save money and reduce their workforce numbers, but to ensure the choices they make in deciding how to achieve this do not have a negative impact on the service they provide to their communities. HMIC therefore looked for evidence that the force had kept a consideration of the effect on the public at the heart of their choices.

Visibility

The work done by police officers and staff in visible roles (such as officers who respond to 999 calls, deal with serious road traffic collisions or patrol in neighbourhoods) represents only a part of the policing picture. Chief constables need to allocate resources to many other functions in order to protect the public, such as counter terrorism, serious and organised crime, and child protection (to name just three).

That being said, research shows that the public value seeing visible police officers on patrol in the streets, and that those who see police in uniform at least once a week are more likely to have confidence in their local force.¹³ HMIC therefore examined how far the changes being implemented by the force had affected the visibility of the police on the streets of South Wales.

In March 2013, South Wales Police allocated 58% of its police officers to visible roles. This is three percentage points lower than it allocated in 2010, but is higher than the figure for most other forces (which was 54% across England and Wales).

Police visibility is further enhanced by CSOs who principally support community policing. Looking at the proportion of police officers and CSOs, South Wales Police allocated 63% to visible roles. This is one percentage point lower than it allocated in 2010 and again is greater than the 59% figure for England and Wales.

HMIC conducted a survey¹⁴ of the public across England and Wales to assess whether the public had noticed any difference in the way their area is being policed. Of those people surveyed in South Wales, 10%¹⁵ said that they have seen a police officer more often than they had 12 months ago. This is broadly in line with the 13% average across all survey respondents in England and Wales.

Of those people surveyed, 77%¹⁶ said they felt either as safe or safer in the areas where they live compared with two years ago. This is broadly in line with the figure for most other forces which is 75%.

¹³ See *Demanding Times*, HMIC, London, 2011. Available from www.hmic.gov.uk.

¹⁴ A YouGov survey was carried out during a four-week period during March 2013. Satisfaction and confidence surveys are also carried out at a national level by the Crime Survey of England and Wales. These use larger sample sizes and are carried out quarterly over a rolling-year period. Some forces also carry out their own surveys of the general public. More information can be found at www.crimesurvey.co.uk, www.hmic.gov.uk or from force websites.

¹⁵ $\pm 5\%$.

¹⁶ $\pm 5\%$.

Calls for service

HMIC examined whether South Wales Police was taking longer to respond to calls for help, as a result of its workforce reductions and other changes designed to save money. Forces are not required to set response times or targets and are free to determine their own arrangements for monitoring attendance to calls so information between forces is not comparable.

In the three years from 2010¹⁷ to present, South Wales Police had maintained the same target response time of attendance within 15 minutes for calls classed as 'emergency' (also known as grade 1) and within 60 minutes for calls classed as 'priority' (also known as grade 2).

Over that period, the force met its target response time for 'emergency' calls 85% of the time in 2010/11, 87% of the time in 2011/12 and 83% of the time in 2012/13.

In respect of 'priority' calls, the force met its target 50% of the time in 2010/11, 66% of the time in 2011/12 and 67% of the time in 2012/13.

While there has been a small decline in the number of emergency calls dealt with within target, there has been an increase in the number of priority calls dealt with within target.

Crime

In 2010 the Home Secretary, Theresa May, set a clear priority for the police service to reduce crime.

Between 2010/11 and 2012/13 (the first two years of the spending review) South Wales Police reduced recorded crime (excluding fraud) by 10% compared with 13% in England and Wales. Over this period, victim-based crime (that is crimes where there is a direct victim – an individual, a group, or an organisation) reduced by 9% compared with 12% in England and Wales.

By looking at how many crimes occur per head of population, we can see how safe it is for the public in that police area. The table below shows crime and anti-social behaviour rates in South Wales (per head of population) compared with the rest of England and Wales.

12 months to March 2013	Rate per 1,000 population in South Wales	England and Wales rate per 1,000 population
Crimes (excluding fraud)	64.4	61.4
Victim-based crime	56.2	54.5
Burglary	7.6	8.2
Violence against the person	10.6	10.6
Anti-social behaviour incidents	34.6	40.7

It is important that crimes are effectively investigated and the perpetrator identified and brought to justice. When sufficient evidence is available to say who has committed a crime, it can be described as detected.

¹⁷ We use 2010/11 as a baseline to show response times prior to the spending review period.

South Wales Police's sanction detection¹⁸ rate (for crimes excluding fraud) for the 12 months to March 2013 is 32.8%. This is above the England and Wales sanction detection rate of 27.0%.

We have chosen these types of crime to give an indication of offending levels in South Wales. For information on the frequency of other kinds of crimes in your area, go to www.hmic.gov.uk/crime-and-policing-comparator

Victim satisfaction surveys

An important measure of the impact of changes to service delivery for the public is how satisfied victims are with the overall service they receive when they seek police assistance.

In the 12 months to March 2013, 86.2%¹⁹ of victims were satisfied with the overall service provided by South Wales Police. This is above the England and Wales figure of 84.6%²⁰

Changes to how the public can access services

Forces are exploring different ways in which the public can access policing services. South Wales Police reviewed the costs and usage of its 80 police stations and 42 front counters²¹ and took the decision to close 18 police stations and 34 front counters, leaving two front counters in each basic command unit to rationalise the estate and make savings based on its analysis of footfall.

The reductions in the number of public access points was well managed and focused on promoting the benefits of a telephone service at 43 visible stations, with immediate access to the Public Service Centre and the targeted deployment of two new mobile police stations. Post implementation surveys indicate few complaints with broad public support for the new arrangements. In addition, community satisfaction surveys are used to inform accessibility and patrol strategies and feed into the force delivery plan.

HMIC looked for evidence that the force is opening up different channels for the public to contact the police. We found:

- changes to the operating model have been enabled by greater use of social and digital media, ensuring that frontline staff have timely access to the right information at the right time to respond to the needs of communities; and
- the force has established an accessibility reference group with representation from disabled groups and Age Cymru to feed into the change programme and help shape the force's use of social media.

¹⁸ A sanction detection is a 'solved crime' where a suspect has been identified and notified as being responsible for committing that crime and what the full implications of this are, and has received an official sanction. Official sanctions include charges, cautions, penalty notices, offences taken into consideration (TICs) and cannabis warnings.

¹⁹ $\pm 1.0\%$.

²⁰ $\pm 0.2\%$.

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

Conclusion

South Wales Police responded early in the spending review period with a comprehensive change programme which reduced costs and restructured the organisation to better fight crime.

Good progress has been made and the majority of savings required have already been delivered. The force is looking beyond this period and preparing for further financial constraints. Detailed planning has commenced on a substantial programme of further change supported by continuous improvement.

The force is committed to visible local policing. Satisfaction of victims is high and recorded crime and anti-social behaviour continues to fall. This suggests that so far, South Wales Police is managing to make savings without reducing the service it provides to the public.

In our assessment, the force has the leadership capability and capacity needed to deliver its savings plan and maintain effective policing. There is a shared understanding of the nature and scale of the future challenge grounded in a positive record of achievement and innovation. To date the force has achieved a good balance between investment and savings, and expects a balanced budget at the end of the current spending review.

In October 2010, the Government announced that central funding to the Police Service in England and Wales would reduce by 20% in the four years between March 2011 and March 2015.

HMIC's Valuing the Police Programme has tracked how forces are planning to make savings to meet this budget demand each year since summer 2011. This report identifies what we found in this third year.

Our inspection focused on three questions:

1. How is the force responding to the budget reduction?
2. What is the impact for the workforce and the public?
3. How is the force managing current and future risks?

To answer these questions, we collected data and plans from forces, surveyed the public to see if they had noticed any changes in the service they receive from the police as a result of the cuts, and conducted in-force inspections. We also interviewed the Chief Constable, Police and Crime Commissioner and the chief officer leads for finance, change, human resources and performance in each force, and held focus groups with staff and other officers.

National findings and patterns across all 43 forces are given in our thematic report, *Policing in Austerity: Rising to the Challenge*, which is available from www.hmic.gov.uk.

This report provides the findings for South Wales Police.