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Derbyshire Constabulary's response to the funding challenge

July 2013

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Derbyshire Constabulary: Executive summary

Derbyshire Constabulary's savings requirement is smaller than that of most other forces. However, as a low cost force, which spends less on policing than most other forces, closing the funding gap is not without its challenges.

It has developed a change programme which has allowed it to reduce costs while continuing to fight crime. The force has made sound progress in reducing its costs, and has already delivered 69% of the savings that it needs to find over the spending review period. HMIC is confident that the force will close its funding gap by March 2015.

During this period of cost reduction the force has demonstrated excellent performance, reducing crime in Derbyshire by 21%. This is one of the highest reductions in crime seen in England and Wales.

The force is one of only five forces that is planning to decrease the overall proportion of its workforce in frontline roles over the period of the spending review. Similarly, the proportion of police officers in frontline roles is set to decrease.

The force faces further budget reductions in March 2015. In light of this, it should consider whether it would be even better placed to keep the people of Derbyshire safe if it takes steps now to protect its frontline crime-fighting capability.

Financial challenge

Derbyshire Constabulary has identified that it needs to save £21.7m over the four years of the spending review (i.e. between March 2011 and March 2015).

This savings requirement is 12% of its overall budget, and is a much smaller proportionate reduction than that faced by most other forces. Derbyshire's position is, however, not without challenge, as it already spends less on policing than most other forces, has a lower number of staff, and a comparatively lower pay bill. The amount it spends on officers and staff is also lower than in most other forces, which makes it more challenging to find further savings.

Progress in making savings

Derbyshire Constabulary has identified how to save £18m, and is developing further plans for the remaining £3.7m¹. In addition, the force has existing reserves² it can use to close any gap, should this be necessary.

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

2 Reserves are funds often used to pay for unforeseen events and balance liabilities.

Changes to the workforce

All forces spend most of their money on staff costs (such as wages and overtime), and so have focused on reducing this expenditure in order to cut costs.³ Derbyshire Constabulary is no exception.

The force is reducing police officer numbers by limiting recruitment and holding vacancies. As a result, by the end of the spending review period, there will be 174 fewer police officers in Derbyshire. This means the number of police officers is planned to reduce by 8% between March 2010⁴ and March 2015; this is a smaller reduction than in most other forces.

Derbyshire Constabulary is not taking the steps that we have seen most other forces take to protect frontline posts as it makes these cuts. Between March 2010 and March 2015, the proportion of police officers in frontline, crime-fighting roles is planned to slightly decrease from 92% to 91%. This compares to an overall increase across England and Wales from 89% to 93%.

The force has also made some police staff redundant and not replaced others as they have left. By 2015 it is planned that there will be 196 fewer police staff in Derbyshire Constabulary. This means the number of police staff will reduce by 14% between March 2010 and March 2015. This is a smaller reduction than that planned by most other forces.

Derbyshire Constabulary plans to do as much as it can to protect the number of its police community support officers (PCSOs), and to at least maintain the current level.

Impact on the public

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

Over the first two years of the spending review, recorded crime⁵ (excluding fraud) fell by 21%. This is an excellent outcome, as it is considerably greater than the 13% reduction recorded across England and Wales as a whole. Victim satisfaction remains high, at 87.0%.⁶

This strong performance indicates that Derbyshire Constabulary has been able to make savings without having a detrimental effect on the service it provides to the public.

Future challenges

Derbyshire Constabulary has made sound progress in meeting its financial challenge. However, there is still more to do to balance the budget within this spending review period, and to plan for any further savings required after March 2015.

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

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

⁵ Crime excluding fraud as per the new classifications release in July 2013 by the Office for National Statistics publication.

⁶ ± 1.5%.

The challenge

Over the four years of the spending review, Derbyshire Constabulary has identified that it needs to find savings of £21.7m. This is 12% of its total expenditure⁷ (which in 2012/13 was £185.9m). The average amount to be saved by forces across England and Wales is 17%.

Progress in making savings: Years 1–2

The Constabulary successfully made 69% (£14.9m) of the total savings required by March 2015 in the first two years of the spending review period. It achieved this by:

- limiting recruitment of new police officers;
- reducing the number of police staff it employs (which it started to do this in 2010);
- reducing the number of policing divisions; and
- centralising some support and corporate services, such as human resources, finance and procurement.

Plans for Year 3–4

The force has plans in place to achieve further savings of £3.2m in 2013/14 and no savings in 2014/15. It therefore will have a funding gap of £3.7m at the end of the spending review period. (The force has however built up its reserves, which it can use to close any outstanding gap.)

Derbyshire Constabulary is therefore still developing its plans to meet this savings requirement, but has identified a number of areas from where the money could be saved.

Looking beyond the current spending review

The force has started to consider what savings it might need to make in the next spending review period (after March 2015). Its medium-term financial plan looks forward to 2015/16.

The challenge for Derbyshire Constabulary in preparing for future funding pressures will be greater if the existing savings plans are not achieved or they take longer to deliver.

The scale of the challenge in Derbyshire Constabulary

Although Derbyshire Constabulary savings challenge is lower than in many other forces, it already has a low cost base and therefore it is much harder to find further reductions.

⁷ Based on a gross expenditure baseline in 2010/11.

This is because:

- it spends less per head of population than most other forces in England and Wales;
- it has a lower number of police officers per head of population than most other forces in England and Wales; and
- the cost of police officers and police staff per head of population is lower than most other forces in England and Wales.

Demand

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

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

12 Months to March 2013	Derbyshire Constabulary	England and Wales
Emergency and priority calls per 1,000 population	200	134
Victim-based crime per 1,000 population	44.7	54.5
Prosecutions (charges) per 1,000 population	8.8	10.2

This table shows that, in 2012/13, Derbyshire Constabulary received more emergency and priority calls from the public than most other forces. It dealt with fewer crimes per head of population and supported fewer prosecutions.

How difficult is the challenge?

Derbyshire's savings requirement is smaller than other forces, but with an already low cost base it will be a harder challenge to find further savings.

Response to the challenge

Over 80% of a police budget (on average) is spent on staff costs.⁸ It is therefore not surprising that forces across England and Wales plan to achieve most of their savings by reducing the number of police officers, PCSOs and police staff employed.

Derbyshire Constabulary 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 85% of its savings from its pay budget. This is a higher proportion than in most other forces, and an indicator that the force needs to do more to protect its crime-fighting capacity by bearing down instead on what it spends 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.⁹

	31 March 2010 (baseline)	31 March 2015	Change	Derbyshire change %	Change for England and Wales %
Police Officers	2,074	1,900	-174	-8%	-11%
Police Staff	1,359	1,163	-196	-14%	-16%
PCSOs	181	181	0	0%	-17%
Total	3,614	3,244	-370	-10%	-13%
Specials	302	400	+98	+32%	+60%

Overall, the table shows that Derbyshire Constabulary plans to lose fewer officers and police staff than in other forces, and at least to maintain its number of PCSOs.

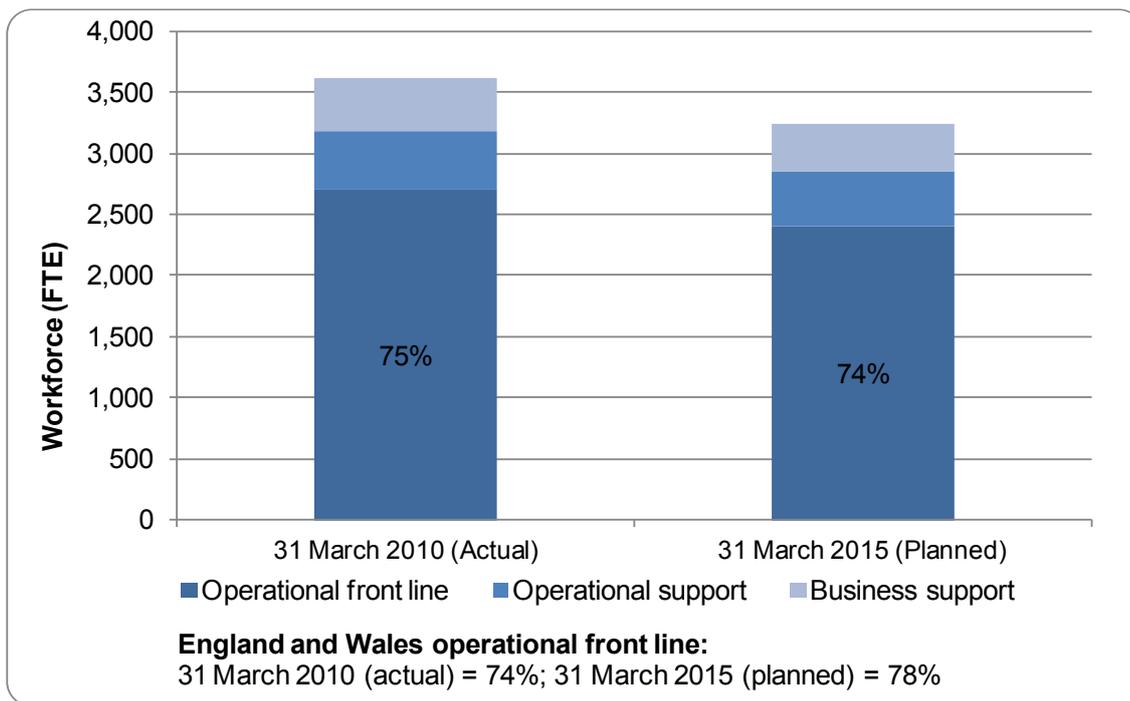
Changes to the proportion of workforce on the front line

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.

⁸ See *Adapting to Austerity*, HMIC, London, July 2011, p.13. Available from www.hmic.gov.uk.

⁹ 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.

The following chart shows the change in the workforce frontline profile in Derbyshire Constabulary.¹⁰

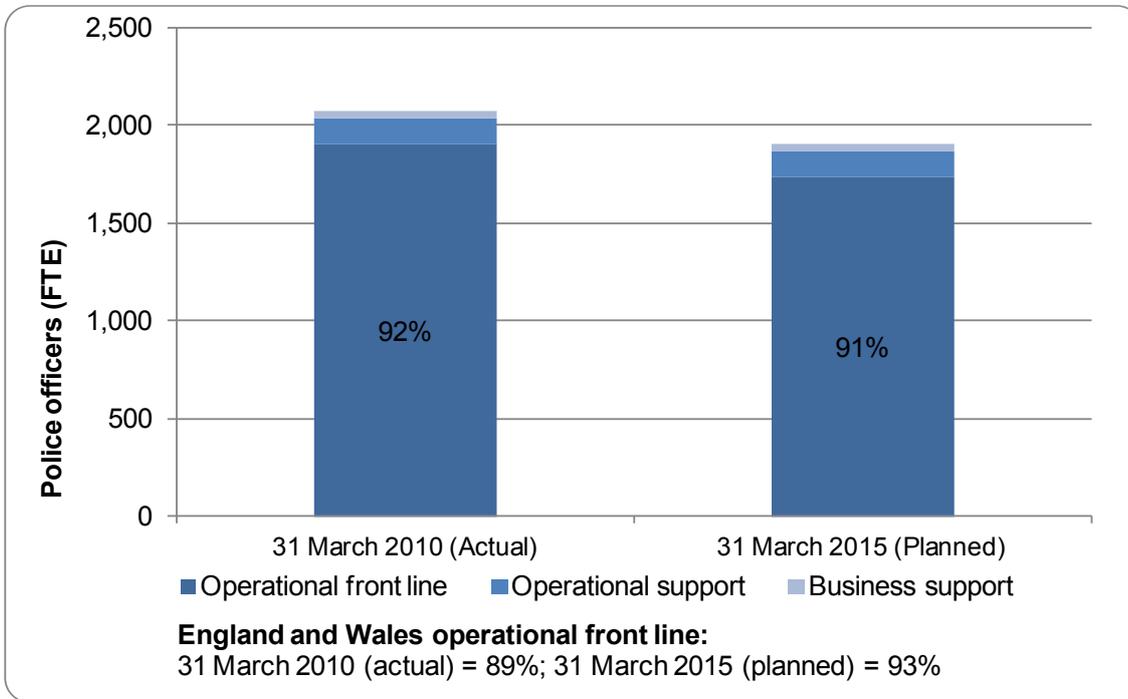


The **number** of officers, PCSOs and staff (i.e. the force's total workforce) working on Derbyshire Constabulary's front line is planned to reduce by 11% between March 2010 and March 2015 (from 2,701 to 2,401).

Over the same period, the **proportion** of Derbyshire Constabulary's total workforce allocated to frontline roles is planned to decrease slightly, from 75% to 74%. This compares with an overall increase across England and Wales from 74% to 78%.

¹⁰ From 2010 Gwent, the Metropolitan Police Service, Wiltshire and North Wales police forces chose to code those officers and staff who are on long-term absence from duty due to maternity/paternity leave, career break, full-time education or suspension, and those on long-term leave, to their normal working role. This has the effect of inflating their workforce and frontline figures by up to 1% compared to other forces.

The **number** of Derbyshire’s police officers in frontline roles is planned to reduce by 9% from 1,902 in March 2010 to 1,733 in March 2015, as the following chart shows. The **proportion** of those remaining on the front line is also planned to decrease slightly, from 92% to 91%. This is an indicator that the force needs to do more to protect vital frontline officers, and compares to an overall increase across England and Wales from 89% to 93%.



Collaboration

HMIC monitors a force’s progress on collaboration¹¹ because it offers the opportunity to deliver efficient, effective policing and help achieve savings.

Derbyshire Constabulary has shown a strong commitment to working with other forces in the East Midlands region in order to increase its capacity and capability to respond to serious and major crimes.

The force is currently engaged in a mix of collaborations (with two, three and four other forces), and has well-established structures and processes in place to manage these arrangements.

However, in 2014/15 the force expects to spend only 4% of its total expenditure on collaboration, which is considerably lower than the 11% figure for England and Wales. Overall, collaboration is expected to contribute only 1% of the force’s savings requirement, which again is considerably lower than the 7% figure for England and Wales.

Derbyshire Constabulary should look at how its participation in wider collaboration across the region could deliver greater savings and contribute more substantially to bringing down the force’s costs.

¹¹ HMIC defines collaboration as “all activity where two or more parties work together to achieve a common goal, which includes inter force activity and collaboration with the public and private sectors, including outsourcing and business partnering”.

The election of police and crime commissioners (PCCs) in November 2012 has provided fresh impetus to regional collaboration; there is now a strong, shared ambition to exploit fully the savings opportunities that closer joint working across five forces presents. The five PCCs in the East Midlands (which includes Derbyshire) have asked HMIC to review collaborations in their region; details of this work were being finalised at the time of this inspection.

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.

Derbyshire Constabulary's change programme is known as 'Moving Forward'. The force has reviewed how it can become more efficient in the way it polices the county, and has reduced the number of policing areas from four to three. Staff have also been encouraged to propose savings opportunities. These delivered just under £6m worth of savings in the early stages of the programme (2010/11); as further staff proposals were developed, a further £6m was also saved during 2011/12.

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

Derbyshire's change programme has been widely communicated to officers and staff, and staff are encouraged to become personally involved in the change process. A staff engagement and consultation group meets on a regular basis to discuss the background to the need for change, and to contribute to proposals for changes that are being developed. The staff associations and staff union are included at relevant meetings.

Workshops are held for staff affected by changes, and the chief constable frequently gives staff briefings. The force has a change programme website, and staff can post suggestions and feedback. Regular staff surveys, known as organisational 'heat' surveys, are also regularly undertaken.

Despite all this some staff felt that they had limited opportunity to influence change. The force will need to consider whether its current arrangements to engage and communicate with staff on the challenges that lie ahead are sufficient to maintain staff engagement and support for the change programme.

How effective has the response been?

The force's response to the funding challenge has been well managed and led. Changes that have been made have had a limited impact at a local level and staff are generally engaged with the programme of change. However, further work needs to be undertaken to find the remainder of the savings to close the funding gap by March 2015.

Derbyshire Constabulary has not been as ambitious as some forces in changing the way it operates. Instead, it has done quite simply what needed to be done to achieve the savings, but no more. This is a legitimate and proportionate response, particularly in light of the strength of the force's performance bearing down on crime.

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 services in order to protect the public, such as counter terrorism, serious and organised crime, and child protection (to name just three).

That being said, research shows that the public value seeing visible police officers on patrol in the streets, and that those who see police in uniform at least once a week are more likely to have confidence in their local force.¹² HMIC therefore examined how far the changes being implemented by the force had affected the visibility of the police on the streets of Derbyshire.

In March 2013, Derbyshire Constabulary allocated 64% of its police officers to visible roles. This is one percentage point higher than it allocated in 2010, and is higher than the figure for most other forces (which was 54% across England and Wales).

Police visibility is further enhanced by PCSOs who principally support community policing. Looking at the proportion of police officers and PCSOs, Derbyshire Constabulary allocated 67% to visible roles. This is two percentage points higher than it allocated in 2010, and remains higher than the 59% figure for England and Wales.

HMIC conducted a survey¹³ of the public across England and Wales to assess whether the public had noticed any difference in the way their area is being policed. Of those people surveyed in Derbyshire, 11%¹⁴ said that they have seen a police officer more often than they had 12 months ago; this is broadly in line with the 13% average across all survey respondents in England and Wales.

Of those people surveyed, 79%¹⁵ 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%.

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

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

14 $\pm 5\%$.

15 $\pm 5\%$.

Calls for service

HMIC examined whether police forces were taking longer to respond to calls for help, as a result of its workforce reductions and other changes designed to save money. This analysis relies on force-collected data.

Following the removal of a Government requirement for forces to monitor and report attendance time, this information is no longer gathered Derbyshire Constabulary. Officers are required to respond to incidents as quickly, and as safely as possible; but there are no set target times for attendance in place.

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), Derbyshire Constabulary reduced recorded crime (excluding fraud) by 21%, compared to 13% in England and Wales. Compared to other forces, this was amongst the highest reductions seen. Over the same period, victim-based crime (that is, crimes where there is a direct victim – an individual, a group, or an organisation) reduced by 22%, 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 Derbyshire (per head of population) compared with the rest of England and Wales.

12 months to March 2013	Rate per 1,000 population in Derbyshire	England and Wales rate per 1,000 population
All crime (excluding fraud)	49.3	61.4
Victim based crime	44.7	54.5
Burglary	6.8	8.2
Violence against the person	9.6	10.6
Anti-social behaviour incidents	49.2	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.

Derbyshire's sanction detection¹⁶ rate (for crimes excluding fraud) for the 12 months to March 2013 was 27.0%. This is the same as the England and Wales sanction detection rate.

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

¹⁶ A sanction detection is a 'solved crime' where a suspect has been identified and notified as being responsible for committing that crime and what the full implications of this are, and has received an official sanction. Official sanctions include charges, cautions, penalty notices, offences taken into consideration (TICs) and cannabis warnings.

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, 87.0%¹⁷ of victims were satisfied with the overall service provided by Derbyshire Constabulary. This is higher than the England and Wales figure of 84.6%.¹⁸

Changes to how the public can access services

Forces are exploring different ways in which the public can access policing services. Derbyshire Constabulary is planning to close nine front counters¹⁹ and two police stations between 2010 and 2015. However, it is also planning to open one shared access point²⁰ during the same period.

17 ± 1.5%.

18 ± 0.2%.

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

20 A non-police building open to the general public to obtain face-to-face access to police services. For example, shared facilities with council services (e.g. libraries or offices), the fire service or other partners.

Conclusion

HMIC is confident that Derbyshire Constabulary will close its remaining funding gap during this spending review period. The early start that the force took in reducing its costs, and the well-led change programme both stand the force in good stead. At the same time, it is impressive that the force is continuing to deliver an excellent policing service to the people of Derbyshire, with crime falling at one of the fastest rates seen across England and Wales.

As the force looks to make further funding reductions in the next spending review period, it has acknowledged that it may need to look beyond its current approach if it is to become as efficient as it is effective.

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 Derbyshire Constabulary.