**Friday 13th September, 2013**

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**AWYA**

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**Item 6**

**Old Court Room, Wakefield Town Hall**

**Acting on the findings of the HMIC report “*Policing in Austerity: Rising to the Challenge”***

**1. Purpose**

* 1. This item provides Panel with the opportunity to establish what practical steps the Police and Crime Commissioner (PCC) is taking in response to the HMIC report and by what processes and measures he will hold the Chief Constable to account.
	2. This paper provides:
		1. A summary of the HMIC Force report for West Yorkshire and examples of good practice provided in the national report across all forces;
		2. The formal responses of the PCC and Chief Constable to the Home Secretary (attached as Annex A);
		3. The full HMIC Force report for West Yorkshire (attached as Annex B).
	3. It is recommended that the Panel notes the information in this report and discusses with the PCC and Chief Constable how they are demonstrating the “strong and effective leadership” called for by HMIC so policing in West Yorkshire is affordable and delivers improved levels of performance.
	4. The analysis and financial figures cited in this summary are taken from the HMIC report, and based on details supplied to them by the OPCC in April. It should be noted that the very latest financial position is covered on Item 5.
1. **Overview of HMIC’s investigations**
	1. Following the Government’s 2010 Spending Review, HMIC published reports in July 2011 and July 2012 assessing how forces were responding to the financial challenge and the implications of spending reductions for performance. ‘Policing in Austerity: Rising to the Challenge’, published in July 2013, is the latest in this series.
	2. At a national level HMIC’s key message is that most forces have responded to the financial challenge well. However, they also highlight the risk that neighbourhood policing is currently being diluted because neighbourhood policing teams are being burdened with traditionally separate investigative and response functions.

**3. Key Points for West Yorkshire**

* 1. The report finds that West Yorkshire Police has yet to identify £9.4m of £112.6m of savings required by the current Spending Round. Its concerns however also relate to West Yorkshire Police’s ability to make further spending reductions in light of the force’s failure to grasp the opportunity to transform its services so far. It notes for example that 76% of West Yorkshire savings are from pay, suggesting that it does not bear down on purchasing of goods and services sufficiently. HMIC accepts that West Yorkshire Police has made significant spending reductions through its existing approach but suggests that the financial challenge should be met through restructuring delivery in order to avoid an adverse impact on service to the public.
	2. HMIC further acknowledges that the challenge West Yorkshire is facing, with 22% cuts (proportionately the third highest cut of any force in England), is significant. However, it argues that West Yorkshire Police employs a relatively high number of police officers, has a relatively high spend per population and has a relatively high cost associated with its police officers and police staff. For these reasons, it suggests there is potential for greater savings within West Yorkshire. Nonetheless, it notes the fact that West Yorkshire Police relies on central government funding (as opposed to alternative sources of funding, like the police precept) more than other forces.
	3. Equally, HMIC notes that West Yorkshire Police already plans to reduce the number of police officers by 17% in March 2015, more than most forces intend. There is an indication that it feels West Yorkshire Police has relied on ‘year on year cost reduction’ and tight financial management rather than embarking on a programme of transformation based on demand reduction, collaboration and strategic change.

**4. Spending Reductions in West Yorkshire**

* 1. So far most spending reductions in West Yorkshire have come through cost reduction measures like not recruiting new officers and reducing the number of police staff. The planned reductions fulfil most (92%) of the savings requirement for the period to March 2015, but a £9.4m funding gap remains. With further spending reductions likely to come from the 2015 financial year, HMIC believes that, to protect the quality of delivery going forward, an overarching change programme is necessary as opposed to simply relying on cost reduction measures.
	2. Chief Constable Gilmore’s vision to alter West Yorkshire Police’s structures and embrace collaboration is noted in HMIC’s report. However, its remains concerned over the timescale of the proposed reforms. Specifically, it believes that changes must be implemented during 2014-15, before the new spending review period. The implication is that HMIC believes that, in order to both meet the financial challenge and improve performance in the face of further reductions, a process of transformation is necessary *before* further spending cuts in West Yorkshire Police. The problem which HMIC focuses on is that, because of the failure to effectively embrace such a restructuring earlier on, there is now little time for West Yorkshire Police to be in a position to make further spending cuts without hurting performance. Thus, despite a plan for change, HMIC suggests that timeframe is an issue. This will need to be managed through effective leadership.
	3. HMIC’s report notes that PCSOs are only being cut by 5% in West Yorkshire, compared to 17% in England and Wales as a whole. Furthermore, West Yorkshire is cutting police officers by 17%, compared to 11% in England and Wales as a whole.
	4. The importance of collaborating with other police forces and key partners (such as local authorities) to improve efficiency without reducing service to the public is emphasised. HMIC’s national report expresses disappointment over the general failure to seize such opportunities. West Yorkshire Police is already committed to collaboration with the other three forces in Yorkshire and the Humber, sharing functions such as procurement and forensic support services, but this degree of collaboration has not generated the expected savings. The report goes on to note that West Yorkshire intends to spend 3% of its total expenditure on collaboration, which is below the national average of 11%. While the current proportion of savings achieved through collaboration in West Yorkshire, 6%, is not significantly below the national average (7%), HMIC believes all forces need to perform better in this respect and ideally should aim for at least 10% of savings to be achieved through collaboration.
	5. HMIC reports that while unions and staff associations have been consulted they do not necessarily feel that alternative views have been reflected in reducing costs.

**5. Performance**

* 1. While HMIC’s report is concerned with the financial challenge for West Yorkshire, its judgement that West Yorkshire Police may face difficulty in implementing further spending reductions is based on the potential impact on operational performance. Specifically, HMIC argues that spending reductions should be designed in a way which does not impact on frontline policing.
	2. In some forces, HMIC feels that spending reductions may have already impacted performance. For example, Northamptonshire Police is praised for having pursued innovation, such as a Multi-Force Services Centre, but it is noted that in the current financial climate Northamptonshire has, compared to most forces, struggled to deliver improvements in sustained crime reduction alongside spending cuts.
	3. By contrast, positive attributes were identified In West Yorkshire Police’s existing performance and user satisfaction levels. For instance, HMIC highlighted that police visibility is estimated at 66% in West Yorkshire compared to an average in England and Wales of 54%. This is reflected by the fact that 18% of people in West Yorkshire reported seeing a police officer in the previous 12 months, judged to be ‘considerably higher’ than the 13% figure nationally. So far the proportion of West Yorkshire Police’s workforce dedicated to frontline roles has increased from 77% to 79%. HMIC’s concern is that, without restructuring, the implementation of additional spending reductions may mean that performance in West Yorkshire suffers.
	4. Yet HMIC does point out that in West Yorkshire the sanction detection rate for crime (excluding fraud) is below the average for England and Wales, and that, despite reductions in crime, performance remains below the standard of similar forces.

**6. Examples of Good Practice**

* 1. Five forces are explicitly identified as having responded well to a relatively difficult financial challenge. These were Hampshire Police, Greater Manchester Police, Lincolnshire Police, Northumbria Police and West Midlands Police. Case studies of good practice by these and other forces are included in HMIC’s report.
	2. For example, HMIC used Greater Manchester Police’s participation in the Greater Manchester Troubled Families Programme as a case study of demand reduction and prevention helping meet the financial challenge. This programme aims to reduce dependency on public services, including demand for policing. Across the public services involved it is estimated that this will deliver £224m of savings.

* 1. Cheshire Constabulary is praised by HMIC for seeking to train staff to act as call handlers and dispatchers simultaneously, with the potential objective of ultimately abolishing its switchboard function. This highlights how increasing staff skills and asking staff to carry out multiple tasks can result in savings.

* 1. An express contrast is drawn by HMIC between West Yorkshire Police, South Yorkshire Police and Humberside Police, and Norfolk Constabulary, Kent Police, Surrey Police and Gloucestershire Constabulary. HMIC suggest that the latter group of forces planned radical change from the announcement of spending cuts, structuring their operating models to prioritise resources according to future demand. HMIC’s report suggests that this process did not happen in West Yorkshire.
	2. Even where forces like Devon and Cornwall Police have not initially pursued a radical reform plan, HMIC’s opinion is that by that adjusting their model to embrace a radical restructuring, they have managed to meet the financial challenge more effectively. For West Yorkshire Police the question may well be whether there is time to commence a similar process before the 2015 financial year.
	3. However, HMIC also seeks to draw attention to problems which the process of transformation has encountered in some forces. These concerns relate to the process of merging different aspects of police delivery. Specifically, HMIC suggests that police officers and staff may lack the skills to deliver merged functions. HMIC further worry that there is a risk that over-emphasis may be placed on a single function at the expense of another function. It suggests that some forces such as Essex Police have had to alter transformation plans to take account of these issues and maintain performance levels. Due to the partial delay in restructuring, West Yorkshire Police may be able to anticipate and resolve such problems in advance.

**7. Recommendation**

* 1. It is recommended that the Panel notes the information in this report and discusses with the PCC and Chief Constable how they are demonstrating the “strong and effective leadership” called for by HMIC so policing in West Yorkshire is affordable and delivers improved levels of performance.