

HM Inspectorate of Constabulary

HMIC response to Consultation on Value for Money Profiles

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Foreword

We all make personal decisions about value for money (VfM) on a daily basis, judging the right balance between quality and cost as we choose which items or services to buy. Public services have to make the same decisions and judgements as they work to obtain the maximum benefit and best outcomes for the public within the resources available.

In essence, VfM in the police service is about achieving the right local balance between the 3Es:

- Effectiveness – spending on the right things
- Economy – maintaining an affordable spending level
- Efficiency – maximising productivity.

This means that any evaluation of VfM needs to consider not only the cost of policing to the tax payer, but also how this relates to outcomes such as reduced crime or increased detections, and how police officers and staff are deployed to meet local demand.

A police force's VfM is high when there is an optimum balance between all three elements: when costs are relatively low, productivity is high and successful outcomes have been achieved. VfM is not an optional add-on, or something that can be achieved as a one-off initiative. It is a way of working differently and underpins all aspect of policing, from back office functions to planning and front-line delivery.

Along with the rest of the public sector, police forces face the challenge of tighter budgets and have to meet increasing demand for high quality services against a backdrop of very tight budgets. This places a premium on maximising and sustaining productivity and securing the most efficient use of their resources.

HMIC's strategy is to provide useful information on VfM that will both give the police an incentive to improve, and inform the public. This will include information on:

- Alignment of police priorities and resources with the public need
- Workforce organisation and deployment
- Benchmarking using comparative information
- Plans the police have in place to resource priorities in the future

To help forces and authorities rise to the challenges ahead, HMIC is producing VfM profiles for all police forces. These profiles bring together benchmarking data from a number of different sources and present it as charts and tables. The purpose of the profiles is to 'hold up a mirror' to forces and authorities and begin the process of identifying areas that they may wish to consider in more detail.

The profiles are therefore not an assessment in themselves but a tool to help the service and HMIC to consider strengths and weaknesses and to make informed decisions and changes in planning and responding to policing priorities.

Introduction

The consultation

On 14 August 2009, HMIC published the consultation paper 'Value for Money Profiles as a Diagnostic Tool for Police Authorities, Police Forces, HMIC and the Audit Commission'.

The consultation invited views on a draft value for money profile, and asked a number of specific questions:

- How could the content of the draft profile be improved - is it sufficiently comprehensive and detailed or are there significant gaps?
- Is some information of little interest and therefore not required? For example, stop and search data per patrol officer.
- What further activity data (data which is already collected or data which could be collected in future) would be interesting to include? For example, arrests per front line police officers, arrests per custody staff.
- Population is used as the denominator for comparing most similar forces. Are there other denominators which should be considered e.g. benchmarking information from other sectors?
- From your experience of using this data, are there any problems relating to the quality and reliability of which we need to be aware?
- Could the presentation of the information be improved and if so, how?
- Has any information been overlooked that ought to be included? Either policing information or other relevant benchmarking information from other sectors?
- What sorts of information would you like to see in future? For example, more quality measures? We would be pleased to receive specific suggestions.
- What guidance would help authorities and forces to make use of VfM profiles?
- What form should this take?

The consultation document was available on HMIC's public website until the consultation closed on Friday 11 September 2009. Respondents could send their views direct by post or email, and overall HMIC received 35 formal responses. Annex A lists the organisations that responded to the consultation.

HMIC would like to thank all respondents for taking the time to send us their contributions to this consultation.

This document

Following the consultation period, HMIC has incorporated a considerable number of proposed formatting and content changes, and is considering further changes for the next iteration of the profiles.

This document sets out the feedback received from the consultation and covers:

- The content of the profiles
- The data used in the profiles
- How the profiles will be used
- How the profiles fit with similar work done by other organisations

The content of the profiles

Our approach

The aim of the profiles is to bring together for the first time a range of published and unpublished statistical information from different sources to present a full picture of each police force's human and financial resources, workload (crime levels in their area) and outputs (levels of sanction detection and public confidence). In order to avoid adding to the data burden on forces, the profiles use data that is already being collected (and, where possible, published) elsewhere.

Key comments from the consultation

Respondents were generally positive about the content and layout of the profiles. They suggested a number of changes to what data was included, particularly around:

- Inclusion of data about the single confidence target
- Information about outsourced services, collaboration and Public Finance Initiatives (PFIs)
- Suggestions to change the crime indicators and align them more closely to published Home Office data
- Inclusion of the Chartered Institute for Public Finance and Accountancy (CIPFA) Police Objective Analysis (POA) data (when available)
- Comparisons with other sectors
- Making the underlying data available for further analysis.

The majority of respondents commented on the need to provide a summary or commentary to help forces and authorities understand what the profile means for them. There was also a wide range of helpful suggestions to improve the format and layout of the profiles, such as providing better explanations and definitions, publishing the underlying data tables or developing a web-based tool. Finally, there was considerable discussion about the sickness absence data, its accuracy and further suggestions of what should be included.

HMIC's response and next steps

HMIC is delighted with the positive response to the profiles in general and grateful for the wide-ranging constructive suggestions to improve the profiles. Many have been incorporated into the profiles: there is now an introduction and explanation for each section, and they include the single confidence target and crime data presented in the same groupings as Home Office published data.

HMIC recognises the impact that collaboration, outsourcing, PFI and workforce modernisation have on VfM. Therefore the profiles now also include more detailed CIPFA data about outsourced services. However, the effect of collaboration, PFI and workforce modernisation cannot easily be captured with the data we have at present and HMIC expects that the impact of these initiatives will be explored in conversation with forces.

Future iterations of the profiles will take account of the CIPFA POA work, which was not available for the current profiles, which were produced in September 2009. HMIC is also considering how best to incorporate further suggestions for additional improvement of the profiles, while remaining mindful that any desire for additional data represents an increased burden on forces.

HMIC is also exploring how to make the profiles more user friendly in future iterations. Options include moving to an interactive web-based format, which could be a feasible and cost-effective way of allowing forces to drill down to the underlying data and make their own comparisons.

The data used in the profiles

Our approach

The profiles contain data that is already collected, to avoid increasing the data burden on forces. The profiles bring together data from a variety of sources (e.g. CIPFA, crime statistics, unpublished staffing data). To enable readers to make comparisons between forces, the profiles present most data by head of population or 1,000 population. This also underlines to users the relationship between policing activity and the public.

Key comments from the consultation

The key issues raised by respondents were around the quality of the data and about the data reporting mechanisms, particular around:

- Annual Data Return (ADR) data: how the staffing category descriptions were applied and whether the returns need more explanation
- CIPFA data: whether estimates data was sufficiently verified, and whether CIPFA needs to reissue the data classifications.

Respondents also commented on the changes of counting rules for crime data, the accuracy of the sickness absence data and the data quality of unpublished data.

In response to our question on whether the data should be presented by head of population, a number of respondents suggested an alternative denominator of force size and that comparisons would need to consider other factors such as deprivation, distance to London and transient population. Respondents wanted comparisons to be made primarily against an all-force average, but would also find Most Similar Group (MSG) comparisons useful. There were also concerns that the MSG groupings do not accurately reflect current factors affecting forces, and a number of respondents recommended that the groupings should be reviewed.

They also urged caution about introducing additional measures that would add to the forces' data collection burden.

HMIC's response and next steps

HMIC is aware of the quality issues with unpublished data and has verified outliers in the staffing by function ADR data with the forces.

HMIC is feeding back the comments about ADR data category descriptions and MSG groupings to the Home Office (who own these processes), and is exploring options to change the ADR guidance. However, the guidance for the 2010 ADR data return has already been sent out to forces, and so any changes to the guidance would only take effect from 2011.

Any future data inclusions are carefully considered, and any additional data requests will need to be agreed by the Normington Review Gateway Group

How the profiles will be used

Our approach

The profiles should be used to begin a dialogue with forces and authorities about VfM. They will identify major outliers from the average. The intention is that this will form the basis for exploring whether there are sound reasons for these outliers. If that is not the case, the force or authority should consider whether changes need to be made to provide better VfM or whether there is good practice, which could be shared with other forces. These changes could be simple reallocation of resources, changes in business processes or initiatives to maximise independent income.

Key comments from the consultation

Respondents commented that it was important for them to have a clear understanding about how the profiles would be used. They cautioned against a simple assessment of “low costs per head = good”, emphasising that the messages from the profiles had to be considered in the context of force priorities and structure. They highlighted the need to consider outcomes as well as inputs and possibly develop further qualitative outcome measures.

Finally, a number of respondents raised the issue of how the profiles would be introduced and presented, and whether they would be published publicly.

HMIC's response and next steps

HMIC will use the first profiles to begin a dialogue with forces and authorities, and there will be no formal grading/assessment of the VfM domain in the Police Report Card this year. The Police Report Card will only contain a limited number of financial indicators and a short narrative explaining the indicators but clearly there is tension between the simplicity of scoring to provide information that is publicly accessible on the one hand, and the complexity of assessing VfM in policing on the other.

Her Majesty's Inspectors (HMIs) have discussed the key messages from the profiles with chief constables and police authority chairs, focusing on areas where the force's data is an outlier and the cost differences are above one million pounds. The next stage of the process will be to explore reasons for the differences.

It is envisaged that the profile data will provide a baseline to compare force performance over time and against other forces in coming years. Monitoring VfM in the future will include a year-on-year comparison, taking account of any efficiency savings the force has made; a comparison between forces, taking account of the relative cost of policing; and a qualitative assessment of how forces improve VfM and the strategic choices a force has made around resources.

Following this process, HMIC will be looking in more detail at VfM to understand better how forces and authorities are approaching this issue. To support this, HMIC is currently developing a VfM inspection methodology, with the aim of beginning fieldwork in the spring of 2010.

The profiles will also help underpin the *Working for the Public* and the police authority inspections.

How the profiles fit with similar work done by other organisations

Our approach

HMIC's vision is that the VfM inspection regime reflects the current and future economic environment, and encourages 'doing more for less'; and we are already working with partners (such as the NPIA and Audit Commission) in this important area. A joint national research study with the Audit Commission is already underway and due to report in July 2010 and joint inspections of police authorities are underway. Assessment regimes must be clear and consistent to ensure that police forces, authorities and the public receive a clear message. As a minimum, there should be one set of VfM data used to assess VfM in policing, and HMIC are working to achieve this.

Key comments from the consultation

Respondents raised concerns about how HMIC's VfM links with other initiatives in this area, in particular the Audit Commission's work and the Police Objective Analysis (POA) work. They were particularly concerned about duplication, and different emphasis of the different work resulting in mixed messages. There were also comments about whether looking at crime and output data was at odds with the Home Office's approach that performance monitoring should be primarily done by forces and authorities.

HMIC's response and next steps

Based on the successful collaboration during the police authority inspections, HMIC is exploring through the Police Performance Steering Group (PPSG) opportunities to work more closely with the Audit Commission on VfM. HMIC is also in discussion with the NPIA about how their work can support forces and authorities to develop their analysis and processes for VfM, and how the NPIA can support forces and authorities in this area. For example, HMIC is working with NPIA to integrate data on forensics with the VfM profiles.

The PPSG is now working to map out areas of potential overlap across the landscape of VfM and to explore ways to reduce duplication and inspection burden for forces and police Authorities.

Finally, HMIC are considering with the tri-partite partners whether and how the POA can be incorporated into the next iteration of the profiles. The Home Office-chaired steering group on VfM profiles will provide the forum for this consideration.

List of respondents

National organisations

- Association of Chief Police Officers (ACPO)
- Association of Police Authorities (APA)
- Audit Commission
- Home Office
- Northgate Public Services
- Police Authority Treasurers Association
- Police Federation
- Pricewaterhouse Cooper

Local and regional organisations

- Cambridgeshire Constabulary
- Cheshire Police Authority
- City of London Police
- Cleveland Police
- Cumbria Constabulary
- Devon & Cornwall Constabulary
- Durham Police Authority
- Dyfed-Powys Police Authority
- Essex Police
- Gwent Police
- Hertfordshire Constabulary
- Humberside Police
- Lancashire Constabulary
- Lincolnshire Police
- Metropolitan Police Service
- Northamptonshire Police
- North Yorkshire Police
- South Yorkshire Police
- Staffordshire Police
- Suffolk Constabulary
- Surrey Police
- Thames Valley Police Authority
- Warwickshire Police
- West Yorkshire Police
- Wiltshire Police