



**Report of the Chief Constable to the Chair and Members
of the Policy & Resources Panel
16th February 2012**

**Executive & Presenting Officer: Mrs Ann Hall, Assistant Chief Officer
(Finance & Commissioning)**

Status: For information

HMIC Value for Money Profiles Update

1. Purpose

- 1.1 To update Members on items for consideration arising from the HMIC Value for Money profiles.

2. Recommendations

- 2.1 That Members note and comment on the findings presented in the report.

3. Reasons

- 3.1 At their meeting on 15th December Members received a report from the Treasurer on the latest set of published HMIC Value for Money Profiles. The report highlighted three areas for consideration that are set out below:
- Given the 'additional' Police Officers that both comparison against our MSG and all Forces would suggest that we have based on population size, whether the spend on overtime could be lowered further than the £460k reduction currently factored into the 2012/13 budget while utilising the higher Police Officer numbers to compensate for this so as to not impact on performance.
 - In relation to PCSOs what the ideal balance is in terms of FTEs between Police Officers and PCSOs. The number of PCSOs employed previously has predominantly been determined by funding levels. With the removal of the specific nature of the grant for PCSOs in 2013/14 it is important to understand what the longer term aim is in terms of PCSOs numbers for future years in much the same way as is being undertaken for Police Officers.

- There are two areas for further work in relation 'Other Income'. One is to understand whether the figures are on a comparable basis and then to capture areas of funding from 'Partners and Other Income' that are not contained with the budget set. The other is to review whether this 'additional' income needs to be spent on additional expenditure or whether the organisation can meet the requirements of receiving this additional funding but through the use of resources that is already within the budget.

4. Sustainable Operating Model

4.1 A strategic priority for the Force in 2012/13 is to design an operating model which is both affordable and fit for purpose. A programme of work has been agreed that will encompass a fundamental review of the following six key functional areas:

- Neighbourhood Policing
- Response Policing
- Crime investigation
- Managing Vulnerable People
- Operational Support
- Business Support

4.2 Each function will be assessed and challenged using the following staged approach:

Stage 1 - Demand Profile

- What does demand look like?

Stage 2 - Process Modelling

- How is the service delivered?
- What are the key processes and can they be re-engineered?
- Can the service be delivered in partnership or collaboratively with others?

Stage 3 - Workforce planning

- What resources are currently available and are they matched to demand?
- What resources will be required in the future?
- Are specialist skills required to deliver the service?
- Do we have sufficient staff with the relevant skills?
- What training or succession planning is required?

Stage 4 - Process Support

- Can technology improve the speed of the process or reduce the cost?
- Is additional training required in order to get the most productive use of available technology and equipment?
- Is there sufficient equipment available to cope with current and future staff requirements and is it located in the most practical location?
- Is the Force Estate conducive to delivering efficient and effective services?

Stage 5 - Business Case

- What problems have been identified with current service delivery?
- What improvements will come from re-engineering service delivery?
- What is the cost of delivering the new process and how will it be implemented?
- What are the associated risks and how can they be mitigated?

4.3 The programme will not include those service areas that are being re-engineered through Project I and are provided under contract by Steria.

4.4 This programme will identify the optimum levels of police officers, PCSOs and police staff, including overtime levels, necessary to deliver effective policing services within the constraints of the Long Term Financial Plan.

4.5 The reviews will be undertaken early in 2012/13 and implemented by April 2013 in line with the financial planning assumptions.

5. Other Income

5.1 In comparison with other forces the amount Cleveland collects from other charges appear to be extremely low. Further work is being undertaken to review this area and an update will be brought for Members attention at a future meeting.

5.2 In addition, the Assistant Chief Officer (Finance & Commissioning) is to explore options for increasing income generation following budget setting.

6. Implications

6.1 Finance

The development of a sustaining operating model is key to delivering an effective policing service within the constraints of the Long Term Financial Plan.

6.2 Diversity and Equal Opportunities

There are no diversity or equal opportunities implications arising from this report.

6.3 Human Rights Act

There are no Human Rights Act implications arising from this report.

6.4 Sustainability

There are no sustainability implications arising from this report.

6.5 Risk

There are no risk implications arising from this report.

7. Conclusion

7.1 Whilst acknowledging their limitations, the HMIC Value for Money profiles are useful diagnostic tools that allow the Authority/Force to self-assess their relative performance, test assumptions, challenge previous expectations and to plan for improvements in value for money over time.

Jacqui Cheer
Temporary Chief Constable