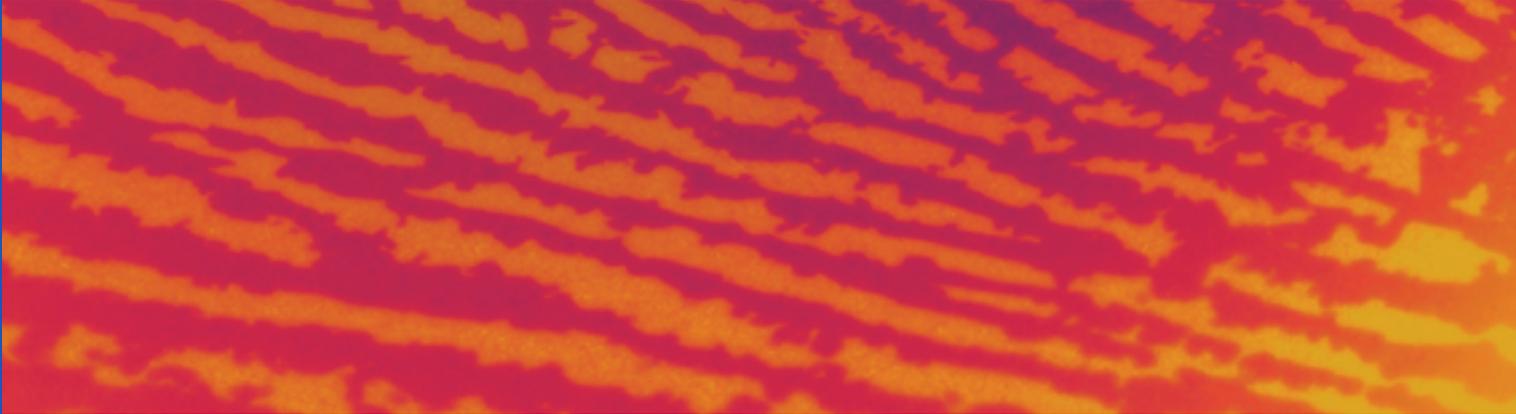


Footling the bill

Reforming the police service



Barry Loveday and Jonathan McClory
Edited by Gavin Lockhart

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About the authors

Barry Loveday

*Reader in Criminal Justice Administration,
University of Portsmouth*

Barry Loveday is a member of the Local Government Association's advisory group on community safety, co-author of Policy Exchange's *Going Local: Who Should Run Britain's Police?* and *Fitting the Bill: Local policing for the 21st century*. He is the author of *Size Isn't Everything: Restructuring Policing in England and Wales*.

Jonathan McClory

Research Fellow, Policy Exchange

In 2005 Jonathan graduated with a degree in Economics and Politics from the University of Michigan. Jonathan completed an MSc in International

Public Policy at University College London in 2006. He has previous work experience at the American Consulate in Hamburg, Germany. This is Jonathan's second major publication for Policy Exchange.

Gavin Lockhart

*Head of Crime and Justice Unit,
Policy Exchange*

Gavin has responsibility for healthcare and crime and justice research at Policy Exchange. He studied Sociology at Edinburgh University. After graduating in 2002 with a first-class degree, Gavin worked as a management consultant before joining Policy Exchange in August 2006.

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- **Greg O'Connor:** President, New Zealand Police Association

- **Peter Harvey:** Police Act Review Team, New Zealand Police HQ
- **Anna McKenzie PhD:** Police Act Review, Police National HQ, New Zealand Police
- **Ian Georgeson:** National Finance Manager Office of the Commissioner New Zealand Police;
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Executive Summary

The first publication in this series, *Fitting the Bill*, showed that the quality and efficiency of local policing would be improved by delegating budgetary and human resources control to local commanders, and by an overhaul of the performance measurement regime.¹ The report was welcomed by opposition parties and police associations.² This research is no less important or ambitious.

Drawing on fieldwork from the Antipodes and interviews with serving officers and policymakers in England and Wales, *Footing the Bill* investigates the challenges police face in containing costs and balancing protective services³, counter-terrorism and response policing.⁴ Barry Loveday – an expert on police reform - and Jonathan McClory suggest ways to address the funding shortfall; deliver neighbourhood policing and a more effective and efficient service; balance the demands of local policing with cross-border crime and terrorism and find an appropriate role for the private security industry.

The Government's impact on levels of crime has been unimpressive: the most recent British Crime Survey statistics show that for every 100 crimes there were only three convictions.⁵ An independent audit, *Ten Years of Criminal Justice under Labour* by the Centre for Crime and Justice Studies at King's College London concluded that the Government's "record on its various overall crime reduction targets is at best mixed; at worst, its crime reduction claims are misleading".⁶ The Home Office itself suggests that a "large performance shift" will be needed to meet its target on frontline policing.

Yet since 1997 £70 billion has been spent on the police and there has been a remarkable increase in police numbers. From 2000, Labour began to increase expenditure on

criminal justice significantly: about £2 billion more was paid to the police service in 2004-05 than in 1998-99. Although this increase in funding was accompanied by a barrage of targets and commitments, it is not clear what has been achieved for such a huge financial outlay. An internal analysis carried out by the Prime Minister's strategy unit recently stated that increased spending on the police "appears unrelated to changes in productivity" and that "there is still little chance that a crime will be detected".⁷ The latest Comprehensive Spending Review anyway makes clear that such levels of investment will not continue.

The authors of this report suggest ways in which the police service could be more effective and efficient even with declining central government funding. These include:

- A clear commitment to workforce modernisation, including steps to remove potential and real cultural opposition to reform (eg the police federation's opposition to police community support officers) and adequate preparation and planning for changes in personnel deployment
- Greater locally driven, long-term collaboration between forces
- More private provision of policing services
- Increased freedom to raise funds locally

Some of the recommendations – such as reform of the office of constable, the introduction of transferable powers of arrest, search and seizure, lifting the cap on council tax increases and reducing the number of police ranks – will be controversial. But the police are resting on foundations established in the 19th century; the time has come for fundamental reform to create a service that is fit for purpose.

1 Loveday B and McClory J, *Fitting the Bill: Local Policing for the 21st Century*, Policy Exchange, June 2007

2 *Annual Review 2007*, Policy Exchange, January 2008

3 Commonly referred to as Level 2 and 3 crime, protective services encompass counter-terrorism; serious, organised, and cross-border crime; major crime (requiring senior investigating officers); civil contingencies; and emergency planning

4 Response policing refers to police officers responding to urgent calls on an ad hoc basis

5 *Police Funding*, Home Affairs Select Committee, Fourth Report of Session 2006-07, 10 July 2007, paragraph 15

6 *Ten Years of Criminal Justice under Labour: an Independent Audit*, Centre for Crime and Justice Studies, King's College London, 2007

7 *Economic and Fiscal Strategy Report and Financial Statement and Budget Report*, HM Treasury, London 2006 pp 148-149

1

Introduction

Since July 2006, when the Home Affairs Select Committee spelt out the financial pressure that police forces in England and Wales would face in the very near future, there has been growing concern within the service.⁸ Towards the end of last year, the Police Federation, which represents rank and file officers, called on the Home Secretary, Jacqui Smith, to resign after she delayed payment of a 2.5 per cent pay rise from September to December. She reneged on the legally binding arbitration process on police

year-on-year increases meeting the budgetary demands of the majority of forces. But the Comprehensive Spending Review (CSR) settlement for 2007-08 to 2010-11 is much less generous and, according to the Association of Police Authorities (APA) and the Association of Chief Police Officers (ACPO), will result in a reduced standard of service delivery.¹¹

“ An extended period of growth in public funding of the police has led to a culture of complacency ”

Increased demand for efficiency and effectiveness

According to the National Policing Plan (NPP), published in 2002, 63.6 per cent of police time was spent on frontline duties, though this included activities such as the preparation of case files for prosecution.¹² Figures from the Home Office Police Service Report, on the other hand, suggested that, on average, police officers spent only about 15 per cent of their time on visible patrol.¹³ And a 2001 study found that arresting someone – from petty criminal to serious offender – kept an officer off the beat for an average of three-and-a-half hours.¹⁴

pay in order to save 0.3 per cent of the annual police budget.⁹ The dispute was a reminder that the method of determining police pay is not only inflexible and outdated, but also that the police establishment has resisted attempts to reform, despite adequate resources to do so.¹⁰ The unfortunate developments regarding the police pay rise reflect both the Government's mismanagement of the police service, and their doubts surrounding police performance. We argue that policy should focus on improving police effectiveness, and outline ways to achieve this, as well as the potential pitfalls.

Collaboration

An extended period of growth in public funding of the police has led to a culture of complacency, inhibiting the development of modern working practices and the effective deployment of resources. The Home Office backed down in 2006 from its plan to merge the 43 police forces of England and Wales into 13, allowing barriers to efficient police service delivery to remain. This

Funding shortfall

Police forces in England and Wales have enjoyed the full financial support of the Government over the past ten years; with

8 *Police Funding*, Home Affairs Select Committee, op cit

9 http://news.bbc.co.uk/1/hi/uk_politics/7144666stm

10 *Ten Years of Criminal Justice under Labour: an Independent Audit*, Centre for Crime and Justice Studies, op cit

11 *Police Funding*, Home Affairs Select Committee, op cit

12 The National Policing Plan 2003-6, Home Office, 2002 p 37

13 *Ten Years of Criminal Justice under Labour: an Independent Audit*, Centre for Crime and Justice Studies, op cit

14 *Diary of a Police Officer*, Police Research Paper 149, Home Office, 2001

cultural environment, and its accompanying structural deficiencies, is undermining police performance at a time when forces must balance the demands of neighbourhood policing, fight serious crime that may cross force boundaries (Level 2 crime) and offences that cross national borders, including terrorism (Level 3 crime).¹⁵

In the absence of mergers, achieving the desired balance of resources will require collaboration between forces and this, together with the correct strategic balance between local policing and cross-border crime fighting, must be taken into account when developing reform policies. It is as much a financial matter as a strategic one.

Neighbourhood policing

In our 2007 report we argued that the neighbourhood policing initiative (NPI) is critical to improving public safety and that the bottom-up structure of neighbourhood policing teams creates an organic, community-focused style of policing.¹⁶ But the programme requires considerable investment and will fail without a steady and enduring financial commitment.

Private policing

The creation of a host of private and community-based organisations designed to prevent crime, improve law and order, deter criminality, catch law-breakers, investigate offences and resolve conflict has eroded Government's monopoly on policing.¹⁷ These groups include private security companies, neighbourhood watch organisations, volunteers and city wardens.

Where statistics are available, they show that the private security industry is growing faster than public policing.¹⁸ In the majority of developed countries, private police now outnumber public police; in Britain and Canada there are twice as many private secu-

rity guards as police provided by the State.¹⁹ The increase in the number of private policing firms and employees is reflected in a shift in public perception of private security; it has proved itself as a necessary supplement to the state police service.²⁰

Report layout

Chapter two analyses the difficult financial situation that police forces face. We argue that modernisation is essential. Increased efficiency and cost reductions will be required if locally focused policing is to be balanced with consideration of the demands of Level 2 and 3 crime. Chapter three discusses how to balance neighbourhood policing and serious cross-border crime fighting. Chapter four investigates resilience and the implementation of workforce modernisation.

In Chapter five we turn to case studies from Australia and New Zealand. The Australian case study examines how reform of the rank structure changed the country's police resulting in the creation of the Australian Federal Police and the excellent progress made in the integration of police officers and civilian staff. The second case study discusses New Zealand's substantial review process and forthcoming Policing Act, which will reform recruitment and workforce practices. We use these overseas examples to suggest ways in which England and Wales could adopt successful modernisation.

Chapter six argues that police forces could achieve greater cash savings through public-private partnerships, the contracting out of services, increasing roles for civilians and greater privatisation.

Chapter seven sets out our conclusions and outlines a course of police reform that would give forces the financial flexibility they need in the face of reduced government spending.

¹⁵ *Delivering a Step Change in Police Productivity*, Home Office unpublished paper, 2006

¹⁶ Loveday B and McClory J, *Fitting the Bill: Local Policing for the 21st Century*, Policy Exchange, June 2007

¹⁷ Bayley D, "The Future of Policing," *Law and Society Review*, vol 30, no 3, 1996, pp 585-606

¹⁸ *Ibid*

¹⁹ Johnston L, *The Rebirth of Private Policing*, Routledge, 1992

²⁰ Shearing C, "The Relation Between Public and Private Policing", in Tony M and Morris N (eds) *Modern Policing*, University of Chicago Press, 1992

2

The impending funding crisis

Summary

Although there has been considerable investment in the police service, it is difficult to assess accurately how effectively the spending increases of the previous ten years have been deployed. The Government's record on crime reduction is mixed at best. There is substantial room for improvement

in the handling and deployment of police resources. Poor use of resources, rapidly rising police costs and pension commitments will exacerbate problems arising from the 2007 Comprehensive Spending Review. This agreement, outlining police funding from 2007 to 2011, has ushered in a new era of financial restrictions during

Figure 1: Police officer numbers

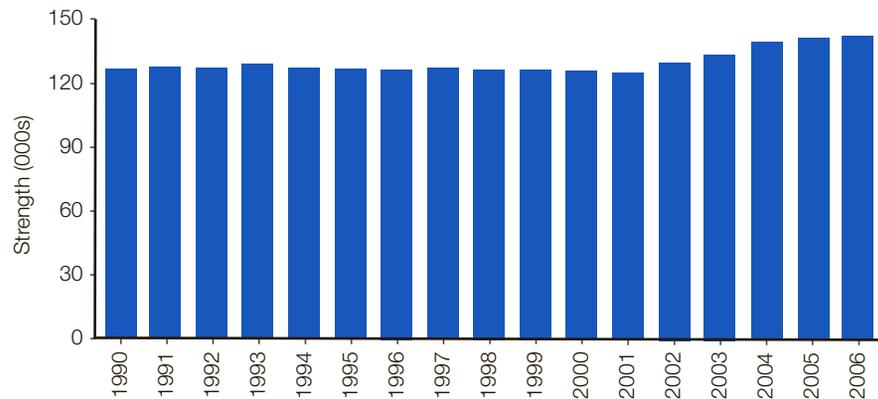


Figure 2: Police community support officers

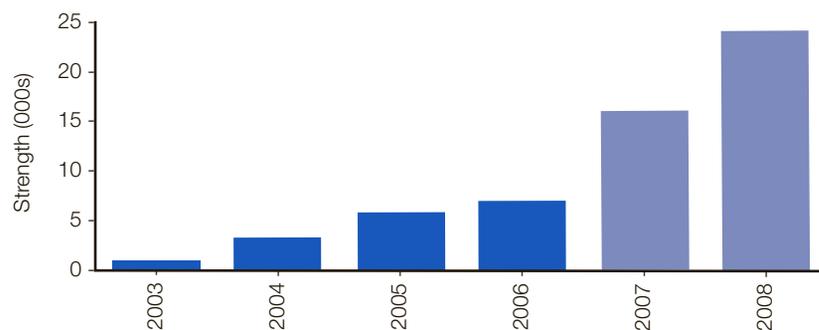
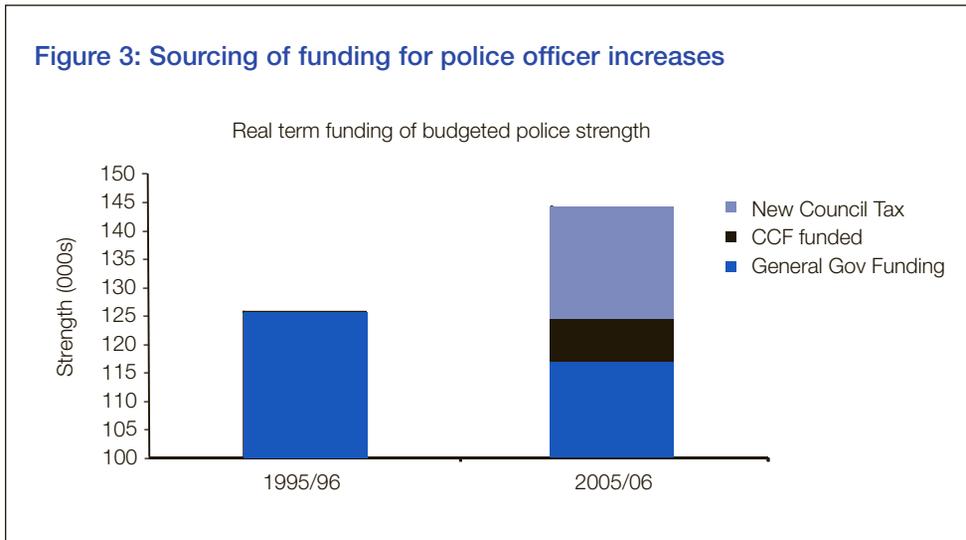


Figure 3: Sourcing of funding for police officer increases

which Home Office funding will increase by only 1.1 per cent annually in real terms.

Resource trends

One of the most striking features of policing in England and Wales in the past ten years has been the steady increase in funding. In 1996-97, total gross police revenue expenditure amounted to £8,578 million. A decade later the figure was £12,015 million.²¹

What have increased expenditure levels achieved?

The total number of police officers and non-sworn staff rose from 180,000 in 1997 to 227,000 in 2007. During that period 33,000 non-sworn staff were added to the police workforce.²² Figure 1 shows the expansion of police officer numbers from 1990 to 2006. Figure 3 shows the expansion from 1995 to 2006, and reports the sources of funding that have contributed to the expansion.²³

Since 1995 domestic burglary and vehicle thefts have fallen by 59 and 60 per cent respectively.²⁴ But according to a recent review by the Centre for Crime and Justice Studies, Labour's record on crime reduction has been unimpressive.²⁵ Its performance on violent crime has been particularly poor.

Police statistics for recorded crime showed a 21 per cent increase in violent crime between 2002-03 and 2005-06. However, the British Crime Survey reported a 14 per cent decrease in violent crime over the same period.²⁶

From 1998 to 2006, there was a 20 per cent increase in offences brought to justice.²⁷ This figure implies an improvement in police performance, however these figures include a significant number of warnings, cautions and penalty notices for disorder. In the year to March 2006, 5 per cent of such offences were official warnings for cannabis possession, 25 per cent were cautions and 8 per cent were penalty notices for disorder.²⁸ In other words, the number of convictions as a proportion of overall police interventions remains low. The most recent Home Office statistics support this assertion: for every 100 British Crime Survey estimated crimes, there were only three convictions.²⁹ As it stands, the best assessment of Labour's record on violent crime is mixed to poor, with different statistics painting contradictory pictures.

Where does the money come from?

Each of the 43 police forces of England and Wales is based loosely around county boundaries and their administration is balanced between central control and regional autonomy. A complex mixture of national and local

21 *Police Statistics 2004-2005 Actual*, CIPFA, London 2006, p 4 (data adjusted using December 2006 deflator)

22 *Police Funding*, Home Affairs Select Committee, op cit, p 4

23 Council tax is not depicted in the 1995-96 column because the red section represents new council tax since 1995. The darker blue section is money from the crime fighting fund, which was established to boost recruitment and allowed chief officers to recruit 9,000 extra officers, from March 2000

24 CCJS, *Ten Years of Criminal Justice under Labour: an Independent Audit*, Centre for Crime and Justice Studies., 2007, p32, citing Walker A, Kershaw C and Nicholas S, *Crime in England and Wales 2005-2006*, Home Office, London 2006, p 85

25 Ibid

26 A recent article published by Civitas highlighted the methodological discrepancies within the British Crime Survey, including capping the number of crimes that could be recorded against individual victims. We note that the national crime recording standard (adopted in 2002) has both increased the apparent level of violent crime and made international comparisons difficult

27 *Police Funding*, Home Affairs Select Committee, op cit, p 7

28 Ibid

29 Ibid, paragraph 15

Police authorities are responsible for securing funding, determining budgets for their forces and charged with administering "efficient and effective police forces". They raise revenue by levying precepts on council taxes from district councils and unitary authorities, which are added to council tax bills. In addition, police authorities receive specific grants from the Home Office, calculated on the police funding formula, which uses a range of socio-demographic factors to assess the relative needs of each authority. Grant allocations also take into account a police authority's ability to raise revenue via the police precept.³⁰

Police authorities are corporate bodies that comprise local authority councillors, three local magistrates and five independent co-opted members. They have the power to appoint or dismiss the chief constable and senior police officers. In theory, these independent bodies consult widely with local people to find out what they want from their police. They then set local policing priorities based on citizens' demands and targets for their achievement. Following the Police and Magistrates' Courts Act 1994, police authorities were required to publish a three-year plan outlining the strategic priorities and a report at the end of each year. Police authorities are also responsible for monitoring their own performance targets, ensuring the force achieves best value, overseeing complaints against the police and disciplining senior officers. Despite this broad range of duties, their most important functions are establishing budgets, raising funds and distributing resources.

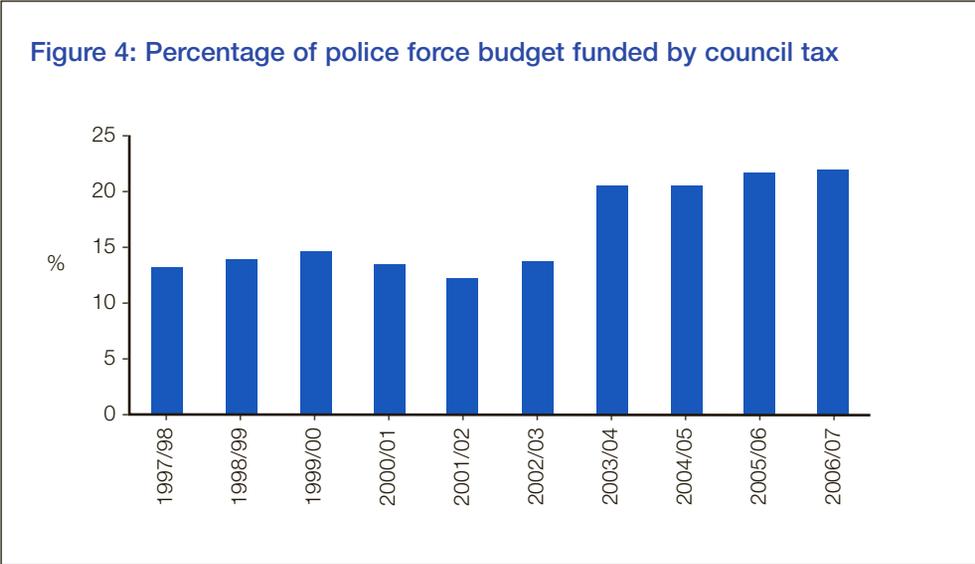
funding, derived from a combination of locally levied police precepts and central grants from the Home Office, mirrors the structural arrangement of the service.

Central grants are divided into a number of individual categories, such as standard spending, capital spending, special police grants and central support services. (Some have time limits and forces are expected to continue providing services from the general grant once specific funding is withdrawn.) The police reform and resources directorate at the Home Office is

responsible for managing police grant funding. The breakdown of funding varies by police force and each is given a specific grant allocation in accordance with the police funding formula. The percentage of revenue derived from police precepts ranges from 18 to 50 per cent.

Local funding

The funding trend for local police precepts has followed a different year-on-year path from that of overall funding. As Figure 5



30 House of Lords, Hansard, HL2673, 31 January 2006, see www.publications.parliament.uk/pa/ld200405/ldhansrd/pdvn/lds06/text/60111w07.htm

Figure 5: Cumulative funding increases

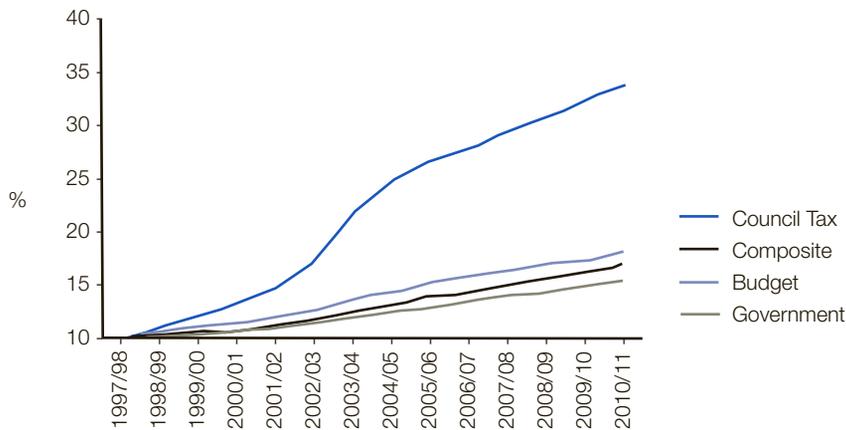
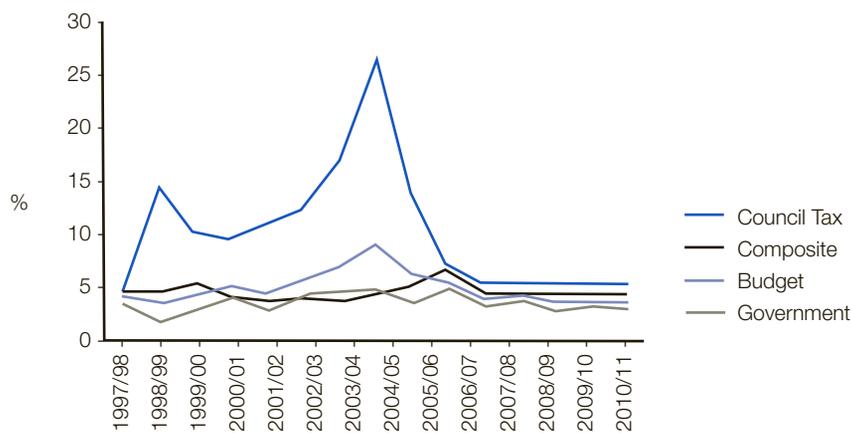


Figure 6: Cumulative funding increases



reveals, the proportion of police expenditure financed through council tax precept remained broadly constant from 1997 to 2002. However, in 2003 it jumped almost 7 per cent to just over 20 per cent.

Funding: 2007-11

Central funding grants from the Home Office are set to fall. And given the disparity between police precepts per person in various police authorities, some forces will be much harder hit than others. Police authorities will naturally want to raise police precepts to cover the shortfall. However, the Government has capped the

average increase of council tax for 2007-08, at 5 per cent.^{31, 32} Although there is no official cap on police precept increases, police authorities face a de facto cap because of the 5 per cent limit on council tax increases. Figure 6 illustrates the real increase of police expenditure funded by council tax and central government over ten years.

At a recent round-table discussion of the Association of Police Authorities, Jim Smith, chairman of the Surrey Police Authority, argued that the formula that determines funding grants for police forces favours metropolitan areas over shire counties. Surrey, for example, is funded at the

³¹ A guide to the Local Government Finance Settlement, Department for Communities and Local Government, 2006, p 11

³² Police Funding, Home Affairs Select Committee, op cit, paragraph 41

Table 1: Police budget 1997-08 to 2007-08³³

Year	Budget	Council Tax	Government
1997-98	6,431,675	785,007	5,646,668
1998-99	6,658,841	818,439	5,840,402
1999-2000	6,851,534	933,903	5,917,631
2000-01	7,100,984	1,026,958	6,074,026
2001-02	7,427,050	1,121,697	6,305,353
2002-03	7,712,292	1,239,223	6,473,069
2003-04	8,078,937	1,391,487	6,687,450
2004-05	8,420,878	1,628,580	6,792,298
2005-06	9,143,157	2,054,593	7,088,564
2006-07	9,650,892	2,335,291	7,315,601
2007-08	10,148,523	2,487,540	7,660,983

level of a rural force, although it receives an extra 15-20 per cent London weighting.³⁴ The APA concluded that, in order to compensate, central government should remove the cap on local authority council tax. Surrey is not alone. Julie Spence, the chief constable of Cambridgeshire, has criticised the funding formula for taking insufficient account of population increases due to immigration.³⁵ Speaking in September 2007 she said: “We’ve been short-changed for a number of years, losing money as the population continues to grow. The profile of the county has changed dramatically and this simply isn’t

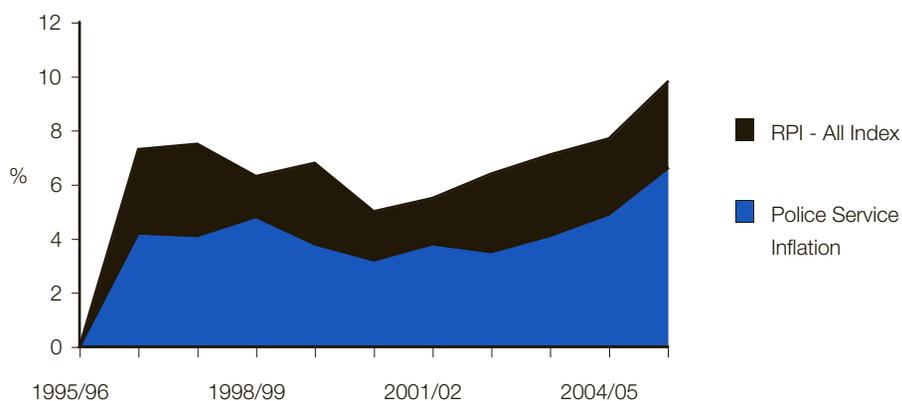
taken into account when the government allocates funding.”³⁶

Police cost increases

Without efficiency savings, inflation and rising costs within the police service mean that an annual increase in spending of 5 to 7 per cent will be required to guarantee a constant level of service. The following diagrams illustrate the increasing cost of policing and the factors that drive it.

Figure 7 charts the increasing cost of policing against the rate of inflation as

Figure 7: Police cost increases against RPI



33 The table represents the national level of inflation in real terms and each police authority would have a different proportion of council tax to government funding

34 “Funding Fallout”, *Police Professional*, 9 August 2007, p 25

35 “Police chief fears migrant impact”, 19 September 2007, <http://news.bbc.co.uk/1/hi/uk/7001768.stm>

36 Ibid

Figure 8: Police service expenditure on pensions

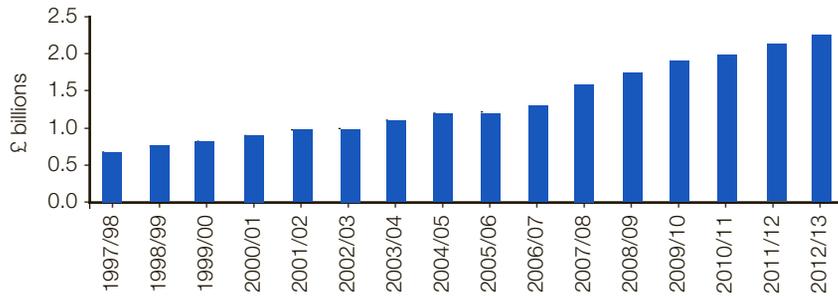
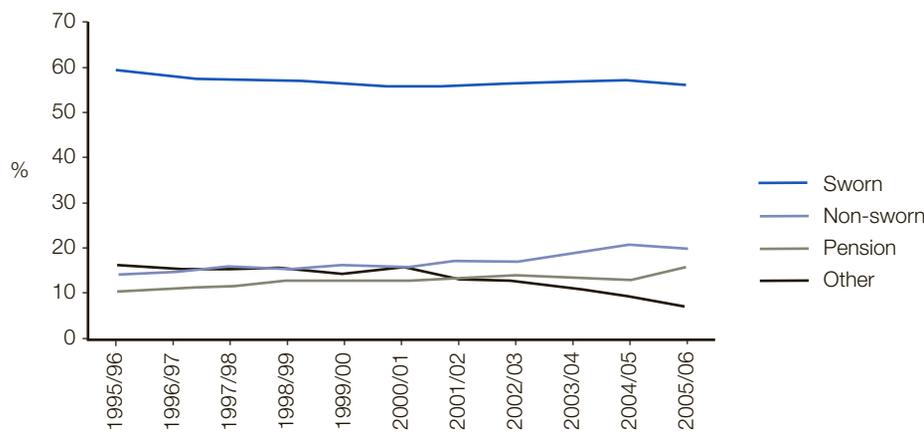


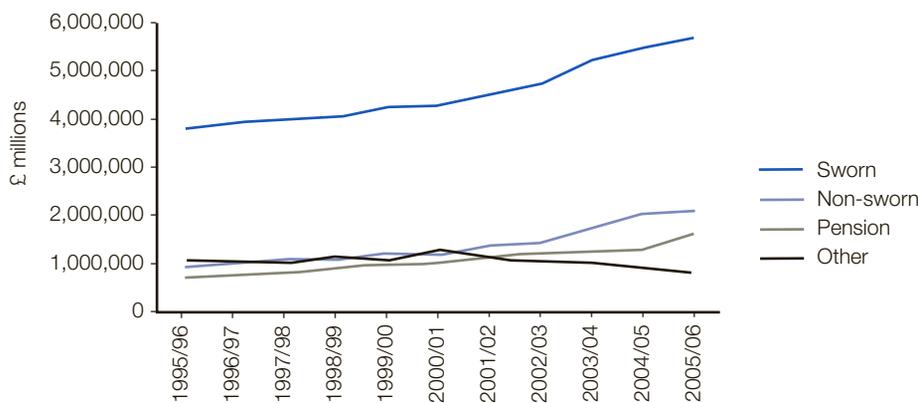
Figure 9: Proportional spend of the police budget (percentage)



measured by the retail price index (RPI). Theoretically, the two should move in tandem, but specific items, such as police pensions, have driven up costs. Between 1998

and 2007, the cost of police pensions has more than doubled, a trend that can only worsen as more and more police officers retire. (Numbers leaving the police rose

Figure 10: Proportional spend of the police budget (actual)



from 5,849 in 2000 to 8,773 in 2006.)³⁷ Figure 8 shows the expenditure on police pensions from 1998 and the expected future expenditure up to 2013.

Key factors contributing to the budget shortfall

Police use of resources

The Home Affairs Select Committee report of July 2007 was critical of the police service for not making the most effective use of funding.³⁸

Figure 11 plots the actual increases in police budgets (light blue line) against those increases adjusted for police costs (dark blue line), illustrating how rising costs of policing can lead to real budget reductions, even if the budget increases in nominal terms.

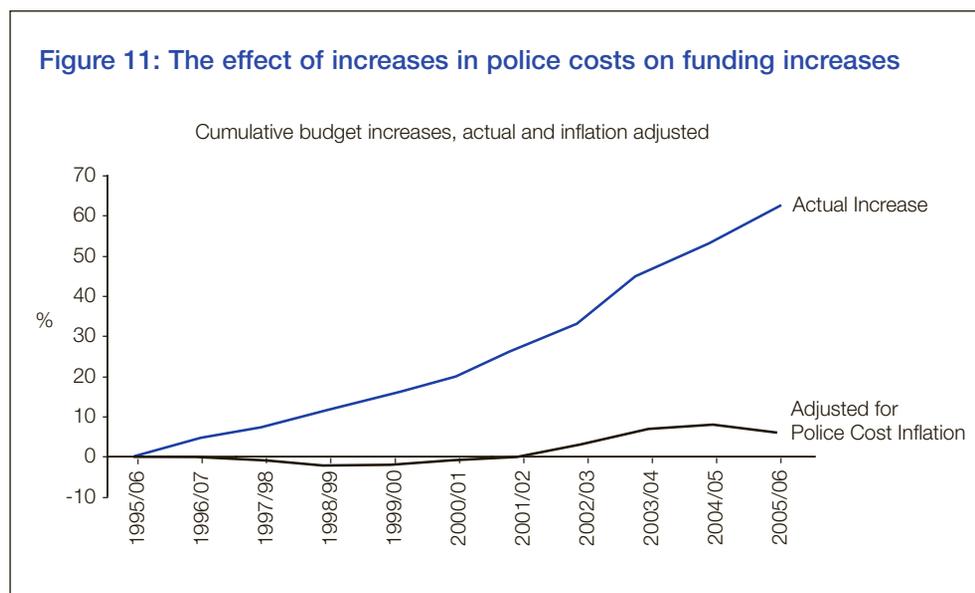
A 2006 Treasury report stated: “The way that police forces manage both budgets and people remains short of best current practice in both private and public sectors.”³⁹ It went on to explain that “the relationship between value for money and operational performance as two sides of the same coin is too often not understood.”⁴⁰

It recommended areas where change could deliver greater efficiency: using man-

agement and performance data better; spreading best practice (adopting private sector management techniques); identifying skills required and introducing improved levers and incentives for better governance.⁴¹

Last year, the Audit Commission established a board to assess police use of resources. It found that 33 per cent of forces were performing “adequately” and 65 per cent of forces were performing “well”.⁴² Only one force received an “inadequate” rating, but none achieved a rating of “strong performance”.⁴³ The report concluded that “the ability of police authorities and forces to assess and improve value for money at a local and neighbourhood level remains underdeveloped.”⁴⁴ The commission recommended:⁴⁵

- Making better use of activity data, such as information on police officer time, to assess how resources are being applied to activities within local areas
- Working with partners to improve data and financial performance management systems, to understand value for money at a local level and to direct resource to priority areas in the best way
- Using benchmarking and performance data to review resource use and deter-



37 *Ten Years of Criminal Justice under Labour: an Independent Audit*, Centre for Crime and Justice Studies, op cit, p 54

38 *Police Funding*, Home Affairs Select Committee, op cit

39 *Delivering a Step Change in Police Productivity*, HM Treasury unpublished paper, 2006

40 Ibid

41 Ibid

42 *Police Use of Resources 2005-2006*, the Audit Commission, March 2007

43 Ibid

44 Ibid

45 Ibid

mine the best method for provision of services

- Developing mechanisms to assess any savings to be made and to ensure value for money from partnerships and collaborative working

The inefficient use of police resources stems from a wider failure to develop a system of benchmarking the effective deployment of resources and gauging the individual productivity of police officers and non-sworn staff. Efficiency and effectiveness are the two most important measurements of the performance of both public and private organisations. Effective organisations are those which meet the challenges they are confronted with and which satisfy demands for service and solve problems.⁴⁶ An effective police force converts its resources into successful detection, prosecution, deterrence and public reassurance. Efficiency, on the other hand, is defined in terms of cost per unit of delivery and efficient organisations are those which convert inputs into outputs with the minimum necessary organisational effort.^{47, 48}

There are two categories of Home Office efficiency savings targets: cashable and non-cashable:

“A cashable gain is where resources, equivalent in magnitude to the level of the improvement, could be extracted and redeployed elsewhere. Non-cashable improvements are those where it would be more difficult to extract resources but where improved efficiency and effectiveness can be measured in terms of their cash equivalent cost.”⁴⁹

An example of cashable savings could be a reduction of time spent on sick leave, putting more officers on the frontline without increasing salary costs. An example of non-cashable savings could be securing a better procurement deal, for example buying CCTVs more cheaply than before.

In 1999 the Home Office introduced the first efficiency savings targets for all police authorities, setting an initial goal of 2 per cent of annual net revenue expenditure. The current target is 3 per cent (of which 1.5 per cent should be a cashable gain). According to the APA and ACPO, police authorities have delivered an average efficiency gain of 2.7 per cent (1.1 per cent cashable) over the period 1999 to 2004.

The Government has announced that any funding shortfall in the Comprehensive Spending Review settlement “will have to be bridged by efficiencies that release cash or increase capacity from which additional demand can be met”.⁵⁰

Pensions crisis

The system for financing police pensions changed on 1 April 2006. Under the new policing pension system, police authorities no longer pay pensions out of their operating accounts but out of a separate pensions account, into which officers’ contributions are paid, in addition to a new employer’s contribution. If there is a shortfall in any year it is topped up with a grant from central government; if there is a surplus it is recouped by the Home Office. Although the system removes some of the pensions burden from police authorities, it is diverting Home Office resources from meeting operational costs.

Police pensions are funded on a pay-as-you-go basis. Almost all current pension costs result from historical legacies: forces with a more mature workforce than another will have a higher level of costs. The only elements of pension costs that are under individual police force control are ill-health pensions and injury awards expenditure, where there is some variation between forces, reflecting the relative ability of management to control them. Information on the costs of ill-health pensions and injury awards is currently not collected, although HM

46 Skogan W, “Efficiency and Effectiveness in Big City Police Departments”, *Public Administration Review*, vol 36, no 3, 1976

47 Ibid

48 Police Standards Unit, *Police Performance Monitoring*, Home Office, London 2003

49 Efficiency Technical Note, Home Office, 2005, p 1

50 *Police Funding*, Home Affairs Select Committee, op cit, paragraph 62

Inspectorate of Constabulary is expecting to do so shortly.

Implications for policing

A recent APA and ACPO survey of chief constables from 17 forces found four who could quantify the potential impact of the funding deficit. They predicted that average manpower cuts would be equivalent to about 74 police officers; two of them further suggested that there would be reductions of some 30 non-sworn staff.⁵¹

According to the APA, since 80 per cent of police budgets are dedicated to maintaining staffing levels (funding staff pay), a reduction in funding will lead to cuts in personnel. In July 2007, Bob Jones, chairman of the APA, did his best to calculate the probable effects of the impending financial shortfall by estimating the drop in overall police officer numbers across England and Wales. “Depending on how you actually choose that mix...you could be talking about a move [from the current number of 141,000 police officers] down to 135,000-136,000.”⁵² This would be a reduction of about 4 per cent.

Tony McNulty, Minister of State for Police, has acknowledged that budget cuts over the next few years will result in cuts in police officer levels. Given this admission, the Department for Communities and Local Government should reassess its position on the 5 per cent cap on annual council tax increases. It will need to assess each police authority’s financial needs on a case-by-case basis, particularly in light of the impending financial crunch.

According to evidence that ACPO and the APA submitted to the Home Affairs Select Committee, “analysis of police budgets has consistently shown that the police service needs annual net resource increases of at least 5 per cent including RPI in order to stand still”.⁵³ The table

below reveals the extent of the projected funding shortfall.

Table 2: Gap in police funding

CSR year	Gap in £m	
	Optimistic	Realistic
2007-08	380	391
2008-09	582	656
2009-10	718	831
2010-11	633	966

The APA claimed that an 8 per cent funding increase was necessary to meet the demands for the financial year 2007-08, but the final Comprehensive Spending Review settlement for 2007-08 promised only a 4.69 per cent increase. As a result the recruitment of police community support officers (PCSOs) has been scaled back. The Labour Government has also reduced the proposed numbers of centrally funded PCSOs from 24,000 to 16,000, undoubtedly to the detriment of neighbourhood policing teams.

The APA also gave evidence to the Home Affairs Select Committee that the funding gap had already resulted in “use of reserves, deferring and rescheduling plans, holding posts vacant, temporary reductions in service, applying cash limits from the centre, not supporting partnerships, and accepting lower quality at the margin”.⁵⁴

Conclusion

There is a startling lack of a clear, comprehensive modernisation agenda to stem the effects of the police funding shortfall. The police service has reached a critical juncture at which the case for a programme of modernisation has never been more pressing.

51 *Sustainable Policing: the Case for Resourcing the Police Service 2008-09 to 2010-11*, ACPO and APA, November 2006, p 30

52 *Police Funding*, Home Affairs Select Committee, op cit, paragraph 45

53 *Sustainable Policing*, ACPO and APA, op cit, p 34

54 *Police Funding*, Home Affairs Committee, op cit, paragraph 40

3

Fighting on two fronts: neighbourhood policing and serious cross-border crime

Summary

This chapter discusses the challenge of balancing neighbourhood policing and serious-cross-border crime. Neighbourhood policing seems to be effective and the Government should recognise its importance. Much has been made of collaboration efforts between police forces to close the gap in protective services, yet most of these efforts remain at a developmental stage. Collaboration has great potential for producing efficiency gains and cost-saving initiatives.

Challenges of neighbourhood policing

What is neighbourhood policing?

The introduction of neighbourhood policing marked a shift in police priorities and the deployment of resources from response policing to community engagement and crime-prevention. The initiative is designed to improve public confidence in the police, to minimize fear of crime and reduce crime itself.

One of the goals of neighbourhood policing is “reassurance”, a vague term that the Home Office has defined as planned police engagement with the public through higher levels of visibility and accessibility.⁵⁵ In other words, people are reassured when they feel that a sense of order prevails and security is present.⁵⁶ The programme also emphasises the importance of public confidence in the police for the perceived legit-

imacy of the service. There is also an emphasis on three primary mechanisms: targeted neighbourhood foot patrols, community engagement to identify neighbourhood priorities and a joint problem solving approach.

The neighbourhood policing initiative has created neighbourhood policing teams that are responsible for patrolling a given area on a regular basis, forming lasting relationships with the community they serve. According to the Home Office, “Each police force is working with partners and community members to define these neighbourhoods which may vary from force to force. A neighbourhood is usually a geographic area, which is of a size that best serves the needs of the local communities reflecting the people that live within it.”⁵⁷

These teams usually comprise a mix of police sergeants, police constables, PCSOs, community wardens, special constables and volunteers. They are designed to work in close contact with other agencies within local crime and disorder reduction partnerships – the bodies created to promote public safety.

The development of neighbourhood policing in England and Wales: chronology

During the 1990s, police strategy was built around the national intelligence model and intelligence-led policing.⁵⁸ While the police service still follows this model, it has been supplemented by a revived community-

55 Singer L, *Reassurance Policing: An Evaluation of the Local Management of Community Safety*, Home Office, November 2004, p 27

56 Innes M, “Reinventing Tradition? Reassurance Policing, Neighbourhood Security and Policing”, *Criminal Justice*, vol 4, no 2, 2004, p 154

57 National Police Improvement Agency, “What is Neighbourhood Policing?” <http://www.neighbourhoodpolicing.co.uk/>

58 The national intelligence model is designed to help senior managers formulate strategic direction, make tactical resourcing decisions and manage risk

The Chicago alternative policing strategy (CAPS) employs officers on long-term assignments in specific parts of the city's 279 beats. Keeping dedicated officers on a beat allows more sustained interaction with the community. Officers are expected to spend most of their time responding to calls and working on prevention projects in their assigned areas. Rapid response units are assigned to excess or low-priority calls, so that the police do not spread themselves too thin on the beat.

Each officer has been trained in a five-step problem-solving process. Emphasis is also placed on city partnerships and the programme relies on the CAPS implementation office, which is composed of civilian community outreach workers and non-profit community organisations.

Localism is an important feature of CAPS. In 2000 a new planning and management process made the districts themselves responsible for identifying local priorities, planning strategies and executing them.

The lessons to note from the success of CAPS are: the autonomy enjoyed by the 279 beat officer teams; the community involvement (beat meetings and CAP implementation office); public awareness of the CAPS programme (just over 80 per cent of residents surveyed); and the positive impact on public confidence in police.

based approach. The shift in emphasis was the result of Labour's national reassurance policing programme.

In terms of policy formulation, the neighbourhood policing initiative gained momentum after HM Inspectorate published *Open All Hours*.⁵⁹ This report assessed the visibility, accessibility and the reassurance capacity of police on the street. It came on the heels of the neighbourhood management programme which was "aimed at tackling quality of life issues at a community level".⁶⁰

Between 2002 and 2004, the Government laid the foundation for neighbourhood policing with a number of smaller projects including the together campaign, the community engagement project and the safer neighbourhoods programme.

In October 2003, the police standards unit of the Home Office officially launched the national reassurance policing programme to develop 16 trial sites involving eight police forces including Surrey and the Metropolitan police. It was a precursor to neighbourhood policing and brought reassurance policing into the policy mainstream.

In April 2005, the neighbourhood policing programme was officially

launched; however, it remains in a nascent stage. It wasn't until the national recruitment campaign of community support officers in August 2006 that neighbourhood policing looked as if it would get off the ground.

Does it work?

Similar schemes are also relatively new in other parts of the world. The Chicago alternative policing strategy programme is the only one that has been subject to rigorous evaluation. The review was encouraging, showing that local policing initiatives can be sustained over time. Initial reviews of the national reassurance policing programme show improvements in public perception of the police service through neighbourhood policing. These results were achieved without any changes in officer staffing levels, but through more efficient use of their time.

Community-based policing has been successfully implemented elsewhere in America on a smaller scale. A study of two cities: Flint, Michigan and Newark, New Jersey illustrated the effect on the perception of citizens of increased, visible neighbourhood foot patrols. In Flint, 70 per cent of citizens interviewed said that they felt safer as a result of increased police

59 *Open All Hours: a Thematic Inspection Report on the Role of Police Visibility and Accessibility in Public Reassurance*, Home Office, 2001

60 "What is neighbourhood management?", Department of Communities and Local Government website, <http://www.neighbourhood.gov.uk/page.asp?id=577>

patrols, especially when the patrolling officers were highly visible and well known to neighbourhood residents.⁶¹

However, the track record of previous community-based policing programmes in England and Wales is poor. Local trials of similar programmes showed a failure to deliver and there have been difficulties with police agencies implementing problem-solving strategies on numerous occasions. Problem-solving policing advocates attending to the patterns and causes of crime and disorder in order to prevent them. Intelligence is gathered through community engagement so that the underlying causes of crime can be identified and dealt with pro-actively. An “evaluation” of a neighbourhood policing trial in the Metropolitan Police Force during the 1980s found that the trial had never taken place.⁶² A more recent pilot project, at New Earswick in Yorkshire, failed to deliver the promised increased police visibility, thus damaging police credibility.⁶³

The only robust review of neighbourhood policing – a 2006 review of the national reassurance policing programme – was positive overall. This work underlined the importance of foot patrols targeted on hotspots of crime, community engagement and collaborative problem-solving in reducing levels of crime.⁶⁴ Potential improvements were also identified – the most interesting was increased public participation in setting the priorities of the police.

What does neighbourhood policing cost?

It is difficult to ascertain the full cost of neighbourhood policing; it is likely that some areas will need more resources than others and these should be adjusted on an ad hoc basis. Building the capacity to implement neighbourhood policing requires improved training to instil the foundations of problem-solving policing.

Additional resources need to be dedicated to neighbourhood policing teams. Ken

Livingstone, the Mayor of London, recently allocated an additional £44 million to cover the expected full cost of neighbourhood policing in London for 2007-08. However, this supplementary grant is only 1.6 per cent of the £2.8 billion Metropolitan Police budget.

All the evaluations of neighbourhood policing have identified the need for sustainability and the challenge of maintaining a long-term commitment to the initiative – a problem in some US pilot sites. Its impact on resources is bound to be felt under a tighter Comprehensive Spending Review settlement. In England and Wales, the Government’s failure to fulfil its promise of 8,000 additional PCSOs could be the first in a series of setbacks.

Serious-Cross Border Crime: the need for collaboration

The protective services gap: a new direction

The new threats of the 21st century have challenged the traditional model of policing in Britain. The attempted car bombings in London and Glasgow, the Suffolk murders, and human trafficking are all examples of the new terrain police find themselves in. HM Inspectorate of Constabulary discussed the changing landscape of serious crime in a 2005 report, *Closing the Gap*, which identified areas of weakness in the police’s ability to deliver protective services.⁶⁵

Since the Government decided not to proceed with its planned police force mergers, it has been looking to collaboration between forces to fill the gap in protective services. The details are being developed by the Home Office in partnership with ACPO, APA, HM Inspectorate and the national policing improvement agency (NPIA). The programme will develop methods for assessing priorities when dealing with threats. Other goals include setting minimum standards for protective services, requiring police authorities to demonstrate

61 Silverman E and Della-Giustina J, “Urban Policing and the Fear of Crime”, *Urban Studies*, vol 38, no 5-6, 2001, pp 941-57

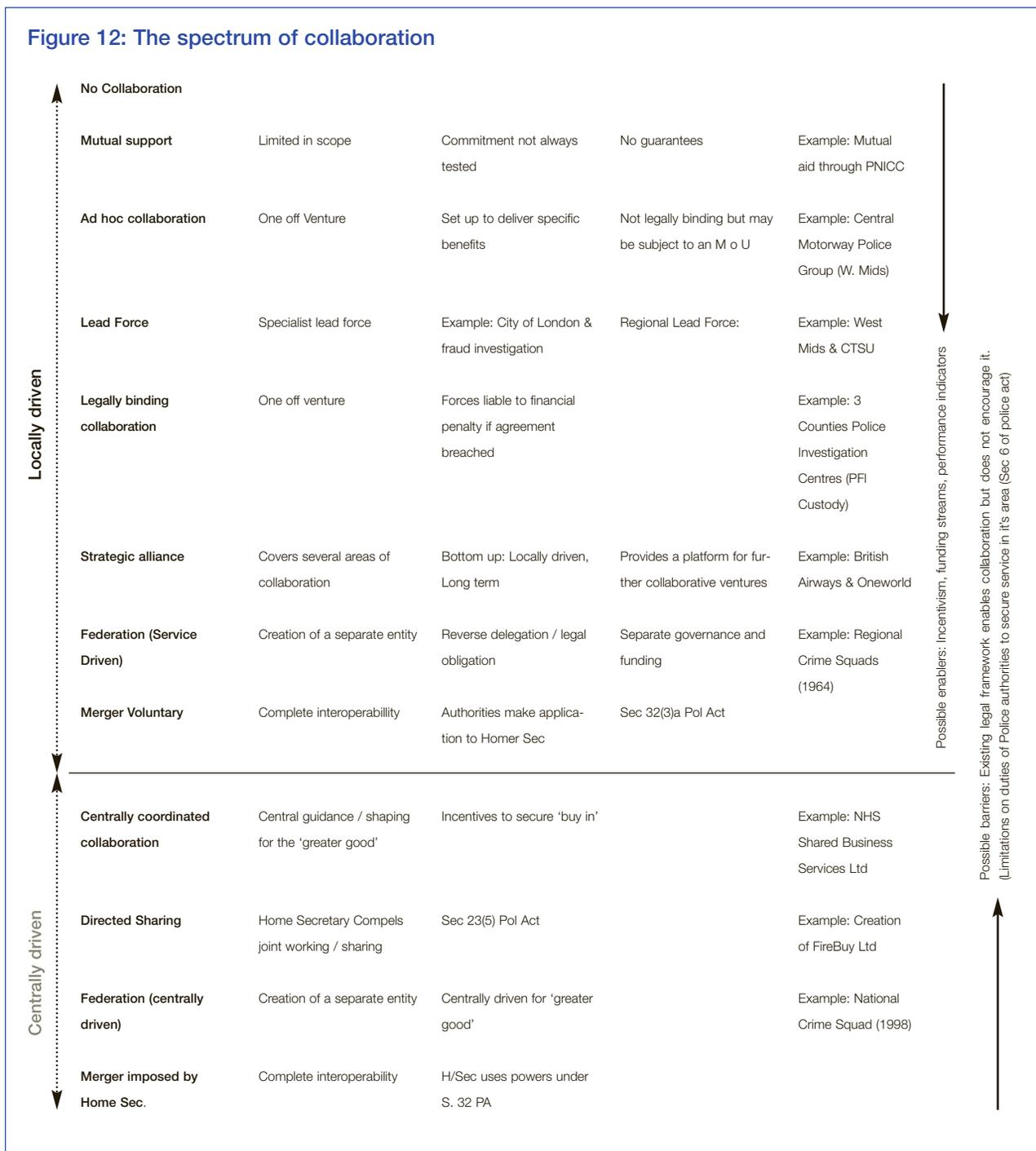
62 Irving B, Bird C, Hibberd M and Wilmore J, *Neighbourhood Policing: A Natural History of a Policing Experiment*, Police Foundation, 1989

63 Crawford A, Lister S and Wall D, *Great Expectations: Contracted Community Policing in New Earswick*, Joseph Rowntree Foundation, 2003

64 Tuffin R, Morris R and Poole A, *An Evaluation of the Impact of the National Reassurance Policing Programme*, Home Office, 2006

65 *Closing the Gap*, HM Inspectorate of Constabulary, 2005

Figure 12: The spectrum of collaboration



efforts of collaboration and the development of monitoring and inspection regimes to assess forces against ACPO standards and protective service needs.

We believe that collaboration should be taken further and also encompass a wide range of police support issues, such as procurement of police resources and shared services (for example, custody centres). Bob Golding, former assistant chief con-

stable of Warwickshire, has highlighted the potential efficiency gains of greater collaboration in support services and procurement, which would lead to cashable savings for forces desperate to bridge the future funding gap.⁶⁶

Collaboration in 2007

The process of instilling a culture of co-operation and collaboration between forces

66 Interview with Bob Golding, Policy Exchange, 19 July 2007

Table 3: Details of collaboration

Type of collaboration	Advantages	Disadvantages
No collaboration	Involves minimal risk and limited change; retains established arrangements for governance	Risk is randomly distributed; the status quo fails to maximise efficiencies
Mutual support		
Ad hoc collaboration	Can be established to meet a specific need; success can be measured	Has to be set up from scratch; liable to fall apart when interests cease to be mutual
Lead force	Staff and function remain the responsibility of the lead force; clear accountability - command and control	Loss of sovereignty; may lead to de-skilling
Legally binding collaboration	Tends to be more enduring in long term	Requires considerable expertise to set up an agreement; mistakes can be costly; inflexible
Strategic alliance	Plenty of examples in private sector	May inhibit collaboration outside the alliance
Federation (voluntary)	Provides a viable long-term and durable solution	Complex; requires the active participation and involvement of all forces and authorities; once federated services functions cannot be reclaimed
Merger (voluntary)	Achieves full interoperability and integration	Significant costs and risks; long-term venture
Centrally co-ordinated collaboration	Creates corporate memory; facilitates sharing of good practice and ideas	No guarantee that forces and authorities will commit
Directed collaboration and sharing	Home Secretary takes action for greater good	Limited in scope
Federation (directed)		Erodes the tripartite system of accountability; mergers unlikely in current political climate
Merger (directed)		

is moving at an unacceptably slow pace. Because the idea itself was an afterthought following the failed 2006 police force mergers, the implementation process has been disjointed.

Collaboration exists in various forms across a spectrum and each stage can be illustrated by examples from either the police service or private industry. The spectrum of collaboration is illustrated by figure 12. Table 3 gives a more detailed account of collaboration.⁶⁷

Collaboration can be driven in two ways: locally or centrally. We believe locally driven, bottom-up efforts of collaboration are likely to be the most successful. Of course, central government maintains an important role; by setting guidelines and promoting best practice, the Home Office can, and should, encourage efforts of collaboration, without forcing mergers.

The first stage of collaboration is mutual support, which carries no formal commitment or guarantees of support. An

⁶⁷ Based on an unpublished ACPO document on collaboration, 2006

example of mutual support would be the police national information and co-ordination centre. The next step is ad hoc collaboration, which is delivered on a case-by-case basis for a one-off venture of co-operation. Moving further across the spectrum, collaboration could entail the creation of a specialist lead force, responsible for a specific service over a given geographic area, such as the Serious Fraud Office. The next progression would be a strategic alliance between forces.

Compared to other options of collaboration, strategic alliances offer the best range of benefits. A strategic alliance covers several areas of collaboration between forces, delivering more than an increased capacity for protective services. Commitment in strategic alliances, though not legally binding, is not prone to falter, as it is driven locally over the long-term to the benefit of all parties. The bottom-up nature of strategic alliances also provides a platform for further collaborative ventures. Unfortunately, the sole example of this degree of collaboration is the shared services programme for the South West developed by the forces of Avon and Somerset, Devon and Cornwall, Dorset, Wiltshire, and Gloucestershire.

The Home Office is running pilot programmes to promote collaboration between forces:

- Cheshire, Cumbria, Lancashire, Merseyside, and North Wales are establishing a joint team to tackle serious and organised crime
- Derbyshire, Leicestershire, Lincolnshire and Northamptonshire are co-operating on a joint witness protection programme
- Essex and Kent are developing a system of strategic command for air and sea ports
- Hertfordshire and Bedfordshire are establishing joint crime units
- Humberside, North Yorkshire, South

Yorkshire and West Yorkshire are creating a policy unit for undercover officers

- Surrey and Sussex are drawing together protective services into an integrated specialist operation

Poorly managed collaboration can be damaging. The central motorway patrol group, involving four forces, has suffered from disputes concerning procurement, contracts and human resources. Warwickshire police force recently withdrew from this scheme due to financial reasons. Senior officers are concerned about some forensic collaboration schemes and even the counter-terrorism units that were subject to a recent review by the Office of Government Commerce.

Improved collaboration with other agencies (fire and ambulance services, the Coastguard Agency, local authorities, health bodies, the Environment Agency) is important for incidents that are covered by the Civil Contingences Act 2004 (an avian flu epidemic, for example). However, Gloucestershire police's investment in a common control room with the fire service was undermined by national decisions to set up regional fire control rooms.

Conclusion

Home Office efforts to develop a programme for collaboration between forces are being carried out too slowly and in a piecemeal fashion. Moreover, the vast majority of collaboration programmes are focused on protective services only. We envisage a broader system more akin to a set of strategic alliances, in which collaboration leads to efficiency gains through joint procurement and shared services, as well as best practice in terms of employment frameworks and human resources policies. But these programmes need both up-front investment and appropriately trained staff.

4

“Resilience” and workforce modernisation

Summary

Given the challenges of sustaining neighbourhood policing under a tighter Comprehensive Spending Review, implementing workforce modernisation carefully and considerately is more important than ever before. It involves risks as well as initial investment but, if employed correctly, should provide a substantial increase in efficiency savings. We believe that a comprehensive programme of workforce modernisation is needed and that it should include items that tap the potential cost-savings of public-private partnerships.

What is workforce modernisation?

The goal of workforce modernisation is to create a more cost-effective service through the efficient deployment of personnel. This implies matching specific skills to particular tasks, rather than depending on police constables to fill catch-all roles, a much more expensive practice. According to the Home Office, “Workforce modernisation is a term used to describe a range of initiatives that seek to improve performance, efficiency and frontline policing. One key element is for forces to make the best use of staff, particularly new roles introduced under the Police Reform Act.”⁶⁸ It is important to note that workforce modernisation is not the same as “civilianisation”.

What is “resilience”?

As police forces shift from employing catch-all to specialised staff, attention must

be given to the concept of “resilience”. Essentially, this is the capacity of an organisation – enough staff with enough skills – to perform in the face of unforeseen and strenuous events. A study commissioned by the national policing improvement agency (NPIA) discussed various definitions of the concept. The most transferable, from an international strategy for disaster reduction, defined resilience as “the capacity of a system, potentially exposed to hazards, to adapt, by resisting or changing in order to reach and maintain an acceptable level of functioning and structure.”⁶⁹

A report by HM Inspectorate in 2006 argued that “the service and forces need to define and specify a level of operation resilience, linked to preferred policing style, in order to manage risk and experiment creatively with the mix of staff without threatening core responsibilities”.⁷⁰ It admitted that it did not know what the appropriate number of police would be to ensure this.⁷¹

Resilience risks

Modernisation poses risks in three categories: planning, implementation and intrinsic.⁷²

One aim of modernisation is to match staff skills to the task at hand. Already non-sworn personnel instead of officers are being used to gather evidence. They are equally capable of fulfilling the role, and at a reduced cost.⁷³ However, planning is necessary to make sure that

68 *Best Value Review of Workforce Modernisation*, Bedfordshire Police Authority, March 2006, p 5

69 International Strategy for Disaster Reduction, Terminology, <http://www.unisdr.org/eng/library/lib-terminology-eng%20home.htm>

70 *Modernising the Police Service*, HM Inspectorate of Constabulary, op cit, p 99

71 Ibid

72 *Maintaining Operational Resilience*, National Workforce Modernisation Programme, NPIA, 2007

73 *Operational Resilience*, National Workforce Modernisation Programme, NPIA, unpublished 2007

enough staff with the required authority and skills are available when a situation changes. Planning risk can be understood in the context of smarter use of resources in pre-planned operations. For example, community support officers with limited legal powers could be used to man cordons, and the risk of their being unable to deal with an escalation is minimised by having a contingent of fully warranted officers available nearby.

Implementation risks are transitional and arise during the process of modernisation, when the number of officers is being reduced and additional specialised non-sworn staff are recruited. In order to offset the risk due to loss of experienced staff and the hiring of untrained personnel, forces could employ retired officers in non-sworn staff roles, which would bolster skills during a period of transition.

There are a number of individual skills and powers which are required but it is impossible to know in advance when, where or in what quantities they will be needed. There is an intrinsic risk that these skills will not be available when needed. This applies particularly to:⁷⁴

- Tasks that require specialists, eg use of weapons, specialist equipment or animals
- Tasks that may require the power of arrest, eg stop and search and breath-testing
- Tasks where the need for a wide range of skills and powers are inherently unpredictable, eg public order (riot) policing

Drivers of resilience risk

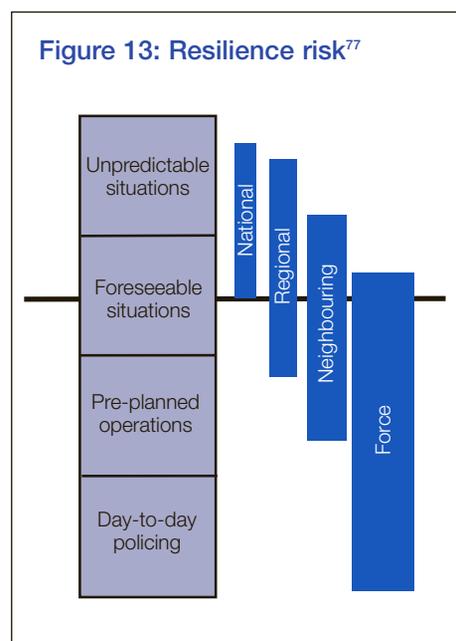
The NPIA has identified four situations that require resilience. The first, day-to-day policing, covers contingencies where the man-power demands are known. Planned operations, the second type of situation, are one-off and could require specialists and critical resources, such as armed response

units. Previous experience of policing big football matches or large demonstrations can be used to assess the level of staff and skills required for adequate resilience.⁷⁵

The third category is foreseeable situations that remain unpredictable in terms of when they occur.⁷⁶ Examples include protests at animal testing facilities, nuclear or chemical leaks at refining-processing plants and floods on major rivers. To prepare for such eventualities, a solid basis of collaboration and mutual aid agreements between forces is crucial.

The final category covers events that are unpredictable in terms of where and when they will occur, and on what scale. These events tend to involve the police at a regional or national level and would include a terrorist attack or an aircraft crashing on a motorway.

Different types of situation require different degrees of collaboration. Figure 13 indicates where responsibility lies in different situations. The first, and largest area of police responsibility, will be covered at force level. Beyond the force level, there are pre-planned operations or foreseeable situations where neighbouring forces would collaborate. The regional bar encompasses events needing multi-force collaboration. Finally, national collaboration covers



⁷⁴ Operational Resilience, NPIA, op cit

⁷⁵ Ibid

⁷⁶ Ibid

⁷⁷ Ibid

unforeseen events that require co-operation and assistance from forces across the nation.

Individual forces must be ready for the first three types of events: day-to-day policing, planned operations and (to some extent) foreseeable situations. An individual force can rely on neighbouring forces to provide assistance for events that need more resources than day-to-day policing. By the same token it must be able to assist its neighbours when called upon. This means that national resilience calculations must be overseen by staff at a national level.

Maintaining resilience

The NPIA has outlined steps to help police forces to maintain acceptable levels of resilience in these four situations as they modernise. The first step is to define acceptable day-to-day service standards and determine resources that are required to meet these standards. The statement of recommended practice (SORP) framework is useful in helping to define the required non-sworn staff, officers and resources required to maintain minimum standards of acceptable resilience.⁷⁸ This requires making observations of current demands on skills and resources, as well as identifying trends. An example, given in the NPIA document, is establishing a minimum service standard for attending to burglary: A scene-of-crime examiner should attend all reported burglaries within 12 hours.⁷⁹ To ensure resilience in meeting this standard, police forces need to know the current (and predicted) trends in burglaries, matching their staffing model to coincide with demand. Moreover, forces need to take into account the length of time an examination takes, as well as travel time.

The second step is to identify services that can be downgraded, or even suspended, in a crisis. Essentially, this means establishing situations that weigh heavily on police resources and personnel, such as a terrorist attack or large-scale disaster, and

then determining what services can be downgraded or suspended in the event of such occurrences. The third step is the development of mobilisation plans for crises. This goes beyond planning how many constables and sergeants will be needed in a large-scale disaster, and focuses on how every different set of skills within the force (civilian and otherwise) can best be deployed. According to the PA Consulting report, planning for specific eventualities would establish a more accurate baseline of the resources that are likely to be needed.⁸⁰

The fourth step is checking that force level plans are adequate at regional and national strategic levels as well. Chief constables need to address the risk to resilience not only at Basic Command Unit (BCU) and force levels but, where collaboration is necessary, on regional and national levels too. Collaboration is a key component of modernisation and so resilience must be considered across force borders.

Resilience and workforce modernisation

The final step is to establish an accurate minimum requirement for each individual skill and police power in day-to-day policing, in particular types of pre-planned operations, and during a large-scale crisis (taking downgraded service into account). This would provide a baseline of the required resources.⁸¹ Once this is established, relevant skills and powers should be translated into roles and staffed accordingly.

Simultaneously meeting the challenges of increased resource demands arising from neighbourhood policing, addressing the protective services gap and implementing an effective programme of workforce modernisation depends on understanding resilience and how to prepare for the risks involved. It is imperative that the police service continues to explore the issue of resilience and establishes a consistent understanding and approach to dealing with the risks of every situation faced by forces.

⁷⁸ *Operational Resilience*, NPIA, op cit

⁷⁹ Ibid

⁸⁰ Ibid

⁸¹ Ibid

Cultural resistance to workforce modernisation

An independent survey of non-sworn staff working in Scotland's eight police forces found that, although working flexibly to accommodate change and modernisation, they were "held back by old fashioned lack of status, lack of managerial support, low pay, unequal pay, and discrimination".⁸² According to the survey:

- 50 per cent of non-sworn police staff did not feel valued by the police service
- 63 per cent believed that there was still a status divide in the service between non-sworn police staff and police officers
- 76 per cent reported that workload levels had increased
- Less than half of non-sworn police staff had a personal training plan
- 66 per cent stated that stress levels had grown

In response to the survey, Unison argued that the employers needed to ensure that non-sworn staff received training support, professional status and adequate salary to tackle the increase in duties undertaken.

The experiences of non-sworn police staff in Scotland are similar to those in England and Wales, where the status divide between non-sworn police staff and police officers is the subject of continuing debate. The low status accorded to non-sworn police staff was revealed within the Devon and Cornwall Constabulary in 2004, when the chief officer team embarked on a job evaluation exercise before the introduction of performance-related pay. Responsibility for the evaluation was delegated to a chief superintendent who, like the team he led, had no knowledge of evaluation methods or any technical expertise in this complex area of management. The same officer was also required to retain his day-to-day responsibility for the policing of South Devon.

The announcement of pay cuts for hundreds of non-sworn police staff, and the staff walkout that followed, highlighted the cultural barriers that continue to operate within the police service. Despite the complexity of the job evaluation and its potential for a highly damaging, a subsequent report for the police authority noted a lack of interest and involvement by senior management in the project's progress and implications.⁸³

Conclusion

We argue that full workforce modernisation is needed now. If the police service is to deliver an adequate level of performance against a backdrop of declining resources, workforce modernisation will need to push ahead at a pace. We are extremely encouraged by the 11 work-

force modernisation pilot sites that are running, but there is still a significant cultural resistance to reform within the police service. The level of understanding of resilience is inadequate and recommendations for risk management must be incorporated into programmes of modernisation.

⁸² "Police staff undervalued", 17 June 2003, <http://news.bbc.co.uk/1/hi/scotland/2997130.stm>

⁸³ *Job Evaluation: Review Instigated by the Police Authority, Devon and Cornwall Police Authority, 2006*, http://www.depa.police.uk/je_rev/index.htm

5

The sky did not fall: lessons from Antipodean workforce modernisation

Summary

Examples of clear engagement by police services in workforce modernisation are limited. This chapter considers the modernisation and police reform process embarked upon in the Australian Federal Police (AFP) and the New Zealand Police. Both have a range of criminal justice responsibilities and operate in common law jurisdictions.

The AFP is one of eight police forces (six state and two territory jurisdictions) in Australia. It has introduced ten-year fixed terms of employment for all staff, who have become employees of the commissioner – a significant change those previously employed as sworn officers.

In New Zealand, reform of police legislation has been underpinned by changes to organisational structures and police powers, which are included in the forthcoming Police Act 2008.

Australian Federal Police

Context

The AFP operates at federal level as well as being responsible for one of the two territories. It was created nearly three decades ago out of a number of separate police jurisdictions – the Australia Capital Territory Police, Commonwealth Police, the Australian Customs Service and the Bureau of Narcotics. All of these bodies had intelligence and security responsibilities, and in

the case of the Commonwealth Police this included protection for the Prime Minister and other government officials.

The force has 6,400 personnel. Its responsibilities are to enforce Commonwealth criminal law and protect national interests from crime in Australia and overseas; to provide intelligence and security at a national and international level including domestic airports; and to police the Australian Capital Territory. The AFP's senior officer holds the rank of commissioner.

Programmes of reform have been criticised in Australian academic circles for overemphasising the economic values of efficiency and cost containment.^{84,85} Two critics also claimed that “the move to reconstruct police services as corporate entities was resisted vigorously by senior police officers, rank and file police and their unions. Nevertheless, the restructuring of several police jurisdictions included the introduction of ... strategic planning and performance management.”⁸⁶ But our interviews with senior police officers suggest that the benefits of unification, especially the flexible use of staff, greater expertise and broader career opportunities within the service, have been realised.

Chronology

In the late 1980s, as a result both of increased involvement with law enforcement abroad and of pressure from the Australian Government, the AFP

84 Dixon J and Kouzmin A, “The commercialization of the Australian public sector: competence, elitism or default in management education?”, *International Journal of Public Sector Management*, vol 7, no 6, 1994, pp 52-73

85 Mulgan R, “Academics, public servants and managerialism”, *Canberra Bulletin of Public Administration*, No 78, August, 1995, pp 6-12

86 Fleming J and Lafferty G, “New management techniques and restructuring for accountability in Australian police organisations”, *Policing: An International Journal of Police Strategies & Management*, vol 23, 2000, pp 154-168

embarked on an unprecedented programme of internal reform as the organisation was encouraged to modernise workforce practices.

Reforms included a reduction in the number of police ranks (1988); the alignment of police support staff with police ranks to create a unified force; and granting the commissioner chief executive status (1990). The Police Act 1990 retained the traditional appointment regime, prescribed in the Australian Federal Police Regulations of 1979, whereby police officers were appointed to a position within a rank – initially constable. (Promotion was an appointment to a position within a higher rank.) In 1995, further reform led to the creation of a flexible team-based structure. A year later all ranks below deputy commissioner were abolished and AFP employees became “federal agents”.

Reduction in police ranks

Senior AFP teams quickly realised that the traditional police structure, characteristic of many common law jurisdictions, was one of the barriers to efficient policing. This structure was autocratic, centrally controlled, highly regulated, and hierarchical. Moreover, there was limited mobility between law enforcement agencies and a lack of recognition of non-policing qualifications.

In response to the shortcomings of the traditional police structure, the AFP established a review of rank structure in 1988. This review argued that the AFP rank structure – consisting of 11 ranks – was unsustainable: “The existing ... levels from constable, up to and including assistant commissioner, are excessive, resulting in a lack of distinction between management, supervisory and operative levels. This has led to confusion, ineffective decision-making, and reluctance to accept responsibility.”⁸⁷ As a result the rank structure was cut to five ranks, as illustrated in Table 4.

Table 4: 1998 career structure review

Previous ranks	Revised ranks
Constable	
First Constable	Constable
Senior Constable	
Sergeant	
Senior Sergeant	Sergeant
Station Sergeant	
Inspector	
Chief Inspector	Superintendent
Superintendent	
Chief Superintendent	Commander
Assistant Commissioner	Assistant Commissioner

In 1996 all ranks below deputy commissioner were abolished and members of the AFP were reclassified as federal agents. This change was designed to allow the AFP to reward the skills of the individual rather than the value of the job they occupied. Previously, employment arrangements under two legislative provisions (and 22 pay awards) had prevented the effective deployment of personnel, due to an overcomplicated payment structure. By simplifying payment awards, the AFP has made more cost-effective use of personnel. It also allows a greater degree of equality between sworn and non-sworn staff than is seen in England and Wales, which encourages more efficient use of the entire workforce.

The introduction of a unified workforce can only be achieved after careful preparation and evaluation. In the early stages, the Government commissioned a management consultancy to study the benefits of mod-

87 Structural Efficiency, AFP unpublished document, 1991

ernisation, including on rates of pay. One of the indicators of value was flexibility.

The “Work Value Study” identified professional skills and areas of expertise. The study proposed nine bands of pay, each grouping together equivalent functions, whether performed by sworn or non-sworn staff.

Fixed-term contracts

The 1988 review had also challenged the assumption that policing was a life-long career, an idea that encouraged the employment in clerical positions of burnt-out officers awaiting retirement, that demotivated younger employees and increased sickness benefits. Fixed-term appointments were introduced, coupled with new personnel practices such as promotion on merit rather than seniority alone, lateral entry and flexible starting salaries.

Commissioner as chief executive

In 1990 the commissioner was given chief executive status with the power to hire and fire all staff. The office of constable was abolished and all competent and qualified employees were declared to be members of the AFP, employed by the commissioner. Members could also be declared to be of a particular rank (sergeant, superintendent) for the purpose of exercising powers specifically assigned by law to that rank.

This move, which allowed management to address poor performance, was supported by the AFP Association because it represents the interests of both sworn staff and non-sworn staff.⁸⁸ The commissioner is also able (under the 1901 Interpretation Act) to unilaterally decommission an officer, ending that officer’s status as constable. This power can be exercised on medical grounds, in which case the officer will assume a non-operational role.

A unified workforce

In 1994 the AFP decided that flexible teams – composed of police officers and

civilian staff – were the key to effective police investigations. In common with many forces, AFP employees range from traditional police patrol officers to highly skilled civilians such as forensic scientists, forensic accountants, information technology personnel and scene-of-crime officers.

To improve the use of human resources the AFP abolished its existing operational and support teams and replaced them with teams whose size and composition is dictated by the task in hand. Each team is responsible for assigning tasks to team members, the supervision and conduct of investigations and the use of allocated resources.⁸⁹

Overcoming cultural barriers

Workforce modernisation is not only a matter of instituting new pay structures or teams, cultural barriers also have to be surmounted. As the AFP noted: “employees were working side by side undertaking the same duties, but subject to different classification systems, rates of remuneration, terms, conditions of employment and disciplinary regimes. These inequities were a disincentive to building multidisciplinary teams and a cohesive corporate identity.

“Effective deployment of employees, which is at the heart of the unified workforce concept, depends upon flexible attitudes to the demarcation of work. The development of purpose designed teams of specialists, targeted to a specific criminal investigation was made unnecessarily difficult by union attitudes on who should work with whom and who should lead operations – police or civilians.”⁹⁰

Within the AFP, police officers are now referred to as “members” (sworn officers) exercising all the traditional powers of constable. Working alongside them are non-sworn staff, designated as “staff members”. (All personnel in the AFP can apply to be a member; when a member takes up a non-sworn police role, he relinquishes his membership status.)

88 There was no evidence of any collapse in morale or motivation when membership was widened to include all civilian staff

89 Appointment to team leader or co-ordinator is based on competence, not rank or seniority. A team leader is responsible for effectively managing a team of up to ten members. Team co-ordinators act as advisers, facilitators and resource providers to clusters of teams. They are also responsible for managing the training and development of team members

90 *Structural Efficiency*, AFP unpublished document, 1991

The office of constable

The office of constable has traditionally been viewed as the bastion of police independence and operational freedom; however it also encourages retention of the status quo and existing police culture. In the AFP it has been abandoned as a barrier to change; everyone is now an employee of the commissioner. One officer in Canberra told us: “When the office of constable role was removed, the sky didn’t fall”.⁹¹

Conclusion

The experience of the AFP provides a number of pointers for those involved in police reform in England and Wales: a system of transferable police powers, a critical examination of the value of the office of constable, requiring the police federation to admit all staff and empowering chief constables to act as chief executives of their forces. We also believe that the number of ranks could be cut in England and Wales as a useful first step to modernising the organisational structure.

New Zealand

Context

The New Zealand Police Force has just concluded a comprehensive public consultation on a review of the 1958 Police Act.⁹² The review, begun in 2006, evaluates the structure of policing and considers governance, accountability, conduct, ethics, employment and workforce structure. The Policing Bill was introduced to the New Zealand Parliament on 18 December 2007. It sets out “first, to confirm and strengthen police governance, accountability arrangements in a way that is suitable for a contemporary age; and second, to improve the police’s effectiveness, especially by updating human resource management provisions, and by establishing a clear framework for the exercise of policing powers by particular police employees.”⁹³

An evaluation of current police employment and human resource arrangements is a central pillar of the review, and public opinion has strongly supported the modernisation proposals.⁹⁴ The review offers further analysis and exploration of potential reforms for establishing a unified police service, which would effectively end the historical divide between sworn and non-sworn staff.

Chronology

The dominance of sworn officers in the police culture of New Zealand stems from its beginnings in the early 19th century. Enduring characteristics include:⁹⁵

- A quasi–military rank structure
- A predominantly uniformed service
- Employment based on ‘fit and able’ criteria
- Appointment of senior officers under warrant by the Governor
- Access to policing powers through taking a constabulary oath of office
- Dismissal based on breach of legislatively–defined standards

As in Australia, police officers are identified as “sworn members of police” and constitute over three-quarters of total personnel.⁹⁶

The 1989 amendments to the Police Act, which placed civilian police staff under the employment of the commissioner as “non-sworn members”, created two complementary categories of police employees. At the time, this was viewed as a significant step forward, but since then “it has grown increasingly clear that having two types of ‘members of police’ divides more than it unites.”⁹⁷

The Police Act Review reveals that current legislation divides police by erecting barriers to the transfer of staff and skills within the service. Police staff are organised according to their sworn or non-sworn status. Although all staff are known as “members of police”, the sworn/non-sworn division remains a driving factor in police organisa-

91 Interview with Agent Millar, AFP HQ, Canberra, July 2007

92 The public response to all aspects of the reform programme has been carefully documented and fully publicised. See also the background information available at: <http://www.policeact.govt.nz>

93 Policing Bill 2007, New Zealand Parliament, 18 December 2007

94 *Public views on policing*, Police Act Review, August 2007, p 21

95 *Issues Paper 3: Employment arrangements*, Police Act Review, August 2006, p 3

96 At 30 June 2007 there were 8,114 sworn members, complemented by 2,771 non-sworn members, *Annual Report for year ended 30 June 2007*, New Zealand Police, October 2007, p 98

97 *Police Act Review - Paper 3: A modern police workforce structure*, Office of the Minister of Police, September 2007, p 3

tion. Employment structures do not allow for an intermediate step in status; all sworn members take the statutory oath of office, and in doing so, access the powers of a constable.⁹⁸

Within this structure, specialists requiring constabulary powers are only recruited from (currently serving) sworn members of the police service. There is no provision for civilian recruitment or training for skill-specific roles that require constabulary powers.

Police managers are largely unable to employ people in a limited-powers capacity and there are few lateral entry opportunities. Moreover sworn officers can only choose from designated sworn positions when deciding on career development options and non-sworn jobs are only available if sworn members first resign or retire and then seek re-employment as non-sworn members.

The need for flexibility and specialisation

There has been a growing recognition within the profession of the limitations of current police employment structures. More flexibility is required and more specialisation. The need to confer specific police powers on police staff reflects the difficulty in training sworn staff to deal with every aspect of contemporary crime. Examples are technology-based crimes requiring specialist understanding or technical skills, international organised crime groups, including cyber crime, complex fraud offences and terrorist threats. New police initiatives, such as child protection and neighbourhood policing, also require increasingly specialised skills. Such levels of specialisation are unfamiliar to most police constables.

Proposed new Policing Act

Building on the review, the Minister of Police has circulated a series of papers to her Cabinet colleagues, seeking support for the elements of a new framework of legislation. Two of these Cabinet papers – outlining proposals for a modern police work-

force structure and detailed elements of new employment arrangements – appear to be immediately applicable to the police service in England and Wales. The paper dealing with structural reform of the police workforce argues that a new Policing Act should:⁹⁹

- Support the commissioner’s ability to employ a workforce with the range of skills, powers and protections needed to meet current and future policing demands
- Confirm a workforce model that enables the setting of unified employment terms and conditions, featuring a new single code of conduct and solemn undertaking for all employees
- Formally recognise the office of constable, and update the constabulary oath, while widening the commissioner’s ability to assign targeted policing powers to specific categories of police employees
- Facilitate talent flows, including temporary secondments to and from the Police, and better allow for leadership development at senior levels
- Make provision for a future registration system for police professionals, building on the existing certification programme

Creating a unified workforce requires a team-based approach

The proposed employment structure is the centrepiece to New Zealand’s reform programme. It is designed to enable the police service to establish a greater mix of appropriately empowered staff to contribute to individual and community safety “covering the full range of policing duties, from minor incidents to major emergencies”.¹⁰⁰

Forces need to recruit trained specialists who, on joining the service, can be granted specific police powers, allowing them to contribute to policing immediately. A greater mix of personnel, exercising a range of police powers, will effectively end the age of the omni-competent constable, and

98 Issues Paper 3: Employment arrangements, Police Act Review, August 2006, p 5

99 Police Act Review - Paper 3, op cit, p 1

100 Ibid, p 1

introduce a more sophisticated and flexible approach to policing. Such a system aims to deploy staff with the right skills and powers to deal with the varying demands that may arise.¹⁰¹

Division by category undermines the creation of a strong service ethos and generates public confusion over police resource levels. To address this, and the evolution of the police commissioner's responsibilities as an employer over the preceding quarter of a century, the proposed Policing Act will refer to all staff employed by the commissioner as "police employees".

The Minister explains in one of the most recent Cabinet papers: "The effect of this change will be to remove the labels 'sworn' and 'non-sworn' from police legislation, and not divide police employees into two separate membership categories. Police employees will be able to pursue career changes within the police more easily, and it will be clearer that all police employees provide valued services together."¹⁰²

The allocation of policing powers

Widening the powers of police staff is a central part of the review. In doing so, however, there has been a commitment to retain the 'office of constable'. Policy makers have argued for the importance of preserving the strength and versatility of the constable's role; but against reliance on the constable as the only key actor in policing.

Under the proposed legislation, all police employees will have employment contracts. When the "mixed economy" workforce is implemented, decisions will be jointly made about the skills, powers and protections that each employee needs to contribute most effectively. There is an expectation that, depending on career and professional demands, a person might take on and be released from the office of constable at different points in a police career. It is specifically envisaged that a

police employee would cease to be a constable if he or she were to agree with the commissioner to set aside this status.¹⁰³

If a position is a frontline policing role, involving full use of constabulary powers, the employee will need to be trained as a constable and to have taken the constable's oath. However, under proposed legislation, should such an individual seek another police role that he or she is qualified to hold, but that does not require full constabulary powers, the sworn/non-sworn status barriers that currently apply will have no place.

Under the proposed Policing Act, specific statutory policing roles will be established to create a wider policing remit for non-sworn police employees. These roles will extend to search and arrest powers, when and where appropriate. The level of flexibility and specialisation gained under the reforms will probably encourage further innovation in the workforce. The aim of the reforms is to align specific police specialist responsibilities to future demands on the police service, in turn facilitating direct entry into police for specialised positions.¹⁰⁴ Fundamentally, the review seeks to establish an employment structure that enables the commissioner to deploy a more flexible and cohesive workforce.

Early priorities for statutory policing roles will include:¹⁰⁵

- Protective service officers
- Guards at the scene of a crime, jailers and prisoner escorts,
- Investigative officers
- E-crime specialists

Sustaining the new police workforce model

The Policing Act will require that recipients of police powers are "suitably qualified to exercise assigned powers, duties or functions".¹⁰⁶ This is likely to come from certification, indicating appropriate training and policing skills.

101 *Police Act Review - Paper 3*, op cit, p 1

102 *Ibid*, p 3

103 *Ibid*, p 5

104 *Police Act Review, Issues Paper 3: Employment arrangements*, August 2006, p 11

105 *Police Act Review - Paper 3*, Office of the Minister of Police, September 2007, p 6

106 *Ibid*, p 6

Further expansion of a certification system would be sustained by the introduction of a policing registration board. Currently there is no formal basis for linking certification of members' skills to employment and no formal body to monitor and adjudicate on the currency of members' certification. The creation of a registration board is expected to help to professionalise the police service and establish a more united workforce.¹⁰⁷

In support of the unified approach, a common code of conduct will be introduced along with a solemn undertaking to be taken by all police employees. Additionally, plans are in place to draw the police organisation closer to the rest of the public sector. This is considered crucial to the overall success of reform.

At present sworn officers are not covered by the employment provisions of the State Sector Act 1988. Consequently, sworn staff are treated differently to all other employees. This is most apparent in wage bargaining, union representation and access to general employment institutions. The discrepancy has sustained the perception of police exceptionalism, which is now seen as more likely to harm than protect the organisation and its members.¹⁰⁸

Future public sector employment legislation will encompass the police workforce, with special provisions applied only where there is a compelling case to do so. We believe that police employees should have similar employment rights and responsibilities to those of all other state sector workers.¹⁰⁹ However, police employees exercising full police powers will not be eligible to take industrial action, ie strike.

Conclusion

New Zealand's proposed police reform plan provides a radical, and persuasive, blueprint for England and Wales to follow. But any such plan first requires broad acceptance of

the need for change. In New Zealand, the commissioner, the police minister and the presidents of the two main police service organisations all support modernisation. In England and Wales, however, recognition of the need to modernise the workforce has been far from unanimous and the mechanisms for instituting reform are disjointed and uncoordinated.¹¹⁰ However, the recent establishment of workforce modernisation pilot sites offers some hope that more consistent and comprehensive reform may be possible.

The New Zealand policing review has recommended maintaining the constable as a centrepiece of the police service, but also introducing greater flexibility. Staff will be able to move between constabulary and non-constabulary roles, taking up and relinquishing certain police powers as necessary, as determined by the commissioner. This will provide a level of flexibility for officers to move into new roles without having to leave the force in order to rejoin in a different capacity.

The third noteworthy recommendation of the New Zealand review is the ability to confer police powers on civilian staff where applicable. Again, this proposal will afford a great deal of flexibility to the police service, allowing specialists in a diverse range of investigatory functions to temporarily assume powers of search and arrest.

The final lesson to be taken from the New Zealand experience is the extent to which the review process has involved engagement with the public. The New Zealand Government and police have conducted a comprehensive public consultation, which has demonstrated overall public support for the reform programme.

New Zealand's proposed workforce model is likely to become operational in the very near future, providing an extremely helpful roadmap for a similar police reform programme in England and Wales.

¹⁰⁷ *Police Act Review - Paper 3*, Office of the Minister of Police, September 2007, p 8

¹⁰⁸ *Ibid*, p 3

¹⁰⁹ *Ibid*, p 3

¹¹⁰ *Building Communities, Beating Crime*, Home Office, 2004, p 113

6

Public-private partnerships and private finance initiatives

Summary

Privatisation of state-owned industry has been a feature of public policy in Western democracies for the last 30 years.¹¹¹ The Labour Government has followed this trend, establishing public-private partnerships as a mainstay of its public services agenda.

So far, research on public-private partnerships (PPP) and private finance initiatives (PFI), and the accompanying media attention, has centred on the healthcare and transport sectors. We believe that such partnerships could also help to deliver high performance policing – if procurement practices are improved. This report is most concerned, therefore, with questions of delivery, accountability and risk sharing, all of which are linked to contract negotiation and procurement.

What are public-private partnerships?

A PPP is typically defined as “a risk-sharing relationship between the public and private sectors based upon a shared aspiration to bring about a desired public policy outcome.”¹¹² It enables capital projects and public services to be delivered by private sector providers through a contract with the State.

Development of public-private partnerships

Delivering public services through public-private partnerships was central to the

reform of public management during the 1990s. The era of “new public management”, as it is called, was a response to the demand for higher standards in public services. It was built around professionalism, performance management, consumer orientation, marketisation, privatisation and efficiency.

In *Partnership for Prosperity* published in November 1997, Labour outlined its general support for PFIs and discussed plans to take advantage of the possibilities offered by procuring private sector providers of public services.¹¹³ To drive the policy, the Government created the private finance task force, later replaced by the permanent organisation, Partnerships UK. Labour’s commitment to these schemes is evident in the number and value of the contracts it has created. By 2005, more than 569 PFIs were underway or completed through contracts worth more than £56 billion.¹¹⁴

Advantages and disadvantages

Proponents argue that these schemes deliver efficiency savings, improve service standards, transfers risk from the public to the private sector and that expertise and professional management skills can be transferred from the private to the public sector.¹¹⁵

Andrew Smith, chief secretary to the Treasury in 2000, insisted that the PFI system “promises more essential services to

111 Edwards P and Shaoul J “Partnerships: for better, for worse?”, *Accounting, Auditing & Accountability Journal*, vol 16, no 3, 2003, pp 397-421

112 *Building Better Partnerships*, Institute for Public Policy Research, 2002

113 Flinders M, “The Politics of Public-Private Partnerships”, *British Journal of Politics and International Relations*, vol 7, no 2, 2005 pp 215-239

114 *Ibid*

115 *Ibid*

higher standard than otherwise would have been the case".¹¹⁶ Moreover, in the case of PFIs, where capital investment is required, private sector companies provide the investment needed. A Treasury-commissioned research paper found that, based on a sample of contracts, PFIs produced an average estimated efficiency savings of 17 per cent.¹¹⁷ However, critics argue that they represent a "buy now, pay later" scheme that limits the options of future governments.

Their effectiveness often depends on which sector is involved: results are mixed across the full range of sectors. In health-care, PFIs have not performed as well as intended.¹¹⁸

One of the perceived advantages of PFIs is that they transfer risk of investment from the public to the private sector. However, Jean Shaoul argues that, these programmes actually transfer risk from private industry to government and public (as consumers and taxpayers).¹¹⁹ There have also been concerns raised about the Government being too willing to bail out PFIs with public funds, as it did for ScotRail in 2002.¹²⁰

The longevity of PFIs and PPPs is another drawback. Most contracts run for between 15 and 30 years. Pollack et al argue that the PPP provider would be in a very strong bargaining position if a future government wanted to renegotiate a contract.¹²¹ The process of negotiating the contract can itself be problematic. PPPs are useful only when terms are right.

Public accountability can be another difficulty. According to the Institute for Public Policy Research, "PPP, like many forms of contracting for public services, disrupt traditional accountability structures."¹²² Troublesome contracts have included the new computer system at the Passport Agency, the benefits payment card project at the Department for Social Security and contracts to update the Immigration and Nationality Directorate at the Home Office. Each of these PPPs

has shown how difficult it is to maintain an adequate level of accountability in a complex partnership.

Public private partnerships and policing

As demands for a higher level of service mount, and the realities of reduced central government funding set in, the police service needs to be in position to deploy resources intelligently to support the front-line. Outsourcing to private providers should enable police forces to concentrate on their core responsibilities: reducing crime, making policing citizen-focused, increasing detection and conviction rates and combating serious and organised crime.

Outsourcing provides an opportunity for police forces to keep administrative tasks from interfering with police priorities. Through greater openness to private partnership, there would be a more rapid development of the market in police support services, allowing forces to outsource operations such as facilities management, IT and administration services.¹²³

A small number of forces have begun incorporating partnerships into their modernisation plans. In partnership with Reliance plc, the Sussex police force has outsourced the management of its custody facilities. In most forces, prisoners are guarded by fully warranted police officers, thus keeping officers off the front-line. Sussex police now needs fewer officers to guard prisoners. Additionally, Reliance has achieved greater efficiency by reducing booking times from 20 minutes to nine.¹²⁴

Delivering innovation

In a 2006 report, the Confederation of British Industry (CBI) argued that private provision of public services leads to greater efficiency through innovation. Our interviews, focus groups and site visits corroborate the CBI. Private providers are driven by market principles to deliver a higher level of service at lower cost. By holding

116 *Public-Private Partnership – The Government's Approach*, HM Treasury, 2000

117 *Value for Money Drivers in the Private Finance Initiative*, HM Treasury/the Office of Government Commerce, London 2000

118 Grimshaw D et al, "Going Privately: Partnership and Outsourcing in UK Public Services", *Public Administration*, vol 80, no 3, 2002 pp 475-502

119 Shaoul J, "A Financial Analysis of the National Air Traffic Services PPP", *Public Money and Management*, vol 23, no 3, 2003 pp 185-194

120 Smith M, "Executive's £70 bailout for Scotrail", *Edinburgh Evening News*, 7 March 2002

121 Pollock A et al "Public Services and the Private Sector", Catalyst, 2001

122 *Opening It Up: Accountability and Partnerships*, Institute for Public Policy Research, 2004

123 *Better Policing Through Partnership*, Confederation of British Industries, October 2006

124 Site visit and interviews with Reliance and Sussex police, June 2007

private partners to tough key performance indicators (KPIs), police forces can ensure that their goals are being met.

Partnerships can also be used to drive efficiency and innovation at the strategic level. West Midlands police has begun a pilot scheme with the Criminal Records Bureau (CRB) to deliver a record checking service. This allows specialist staff at the CRB to carry out checks against the force's records in a secure environment without sacrificing control of information.¹²⁵

GSL has delivered custody services in Cheshire, replacing 11 outdated city centre stations with three new custody suites. GSL was required to reduce the length of time taken to arrest a suspect. Cheshire police authority also made getting more officers on the beat an explicit goal of using privately run custody centres. GSL was able to deliver on both counts: using specialised software to deploy police vans more efficiently it has saved time and human resources.¹²⁶

The business of collaboration

Collaboration is often viewed purely in terms of police strategy, as a solution to closing the protective services gap. However, the sharing of services, combined with outsourcing to private providers, could offer cost savings to police forces.

Sharing of services has a lot to offer in back-office support functions. Neighbouring police forces could capitalise on economies of scale and increased purchasing power through joint partnerships with private providers of HR, finance and pensions, and IT services. This would offer not only significant cost savings to police authorities, but would also drive further growth and development in the police support industry—ultimately leading to a higher level of service for police forces.

Solutions for better outsourcing

As they establish how to best use private providers, the Home Office (specifically

the NPIA) must establish a consistent and effective approach to procurement of private services and outsourcing contracts.

If the police service is to incorporate cost-saving outsourcing successfully into a programme of modernisation, it must lay the groundwork. First, it needs to develop easily replicable models of outsourcing. Contracts which are negotiated independently without any proven framework can produce poor outcomes for the police and the public. Such a framework of best practice in contract management and procurement will have to be developed by the NPIA.

Once a reliable and successful model has been agreed forces will need to establish exactly what functions are carried out by support staff through activity-based costing analysis. Then they can determine which tasks can be outsourced, and whether or not this should be done in collaboration with other police forces. Pensions and payroll administration are examples of back office support functions that could be outsourced.

The final prerequisite for successful outsourcing is to strike a balance between local control over procurement and driving best practice from the centre. The NPIA needs to take responsibility for driving the development of contract negotiation frameworks, while building in a system for effective local control and accountability.

Lessons for contract procurement

A significant amount of time and effort must be invested in preparation for an outsourcing contract. Before possible suppliers are even contacted police forces must determine and clarify the objectives of an outsourcing contract, which should equate to improved efficiency and cost-savings. They will also need to outline their expectations of service delivery, their strategy of implementation and the level of investment required in any outsourcing deal. Again, the NPIA should develop a

125 *Better Policing Through Partnership*, Confederation of British Industries, October 2006

126 *Ibid*

framework for the early stages of outsourcing.

Finally, flexibility in contracts could be the most important factor in whether or not outsourcing is successful and whether it results in significant cost savings for a force. In the private sector, outsourcing contracts have tended to run for shorter and shorter periods. We believe that this is the best way for police forces to maintain flexibility and negotiating leverage over service providers. Shorter contracts also allow for greater accountability. A 15-year contract could end in an expensive disaster, leaving a force with a long-term financial problem.

Another trend in private sector outsourcing is multi-sourcing. Companies are no longer using one umbrella contractor, who then sub-contracts to other providers.

Smaller, more specific contracts are becoming more popular because they can be tailored to the needs of clients. Using multiple companies for specific functions can also bolster flexibility in procurement.

To extract the full benefits from outsourcing and private partnerships, contracts need to be short term, flexible, accountable through key performance indicators and possibly multi-sourced. The NPIA should, through consultation with financial and consulting services experts, establish a training programme that would ensure police forces are prepared to get the best possible terms from private partnership contracts. Implementing successful outsourcing requires well trained procurement staff who can deliver top-quality performance. That means investment in procurement and contract management skills.

7

Recommendations

Our recommendations follow on from our earlier report, *Fitting the Bill*, which suggested that the Government should restructure the police in ways that ensure local policing is clearly linked to local communities.¹²⁷ They are divided into four sections:

- 1 Funding
- 2 Collaboration
- 3 Workforce modernisation
- 4 Private provision

Funding

- **Remove the cap on council tax increases, review the police funding formula and institute local pay bargaining**

Fitting the Bill argued for greater local accountability and the creation, where appropriate, of locally elected sheriffs or mayors to whom the police would be accountable. To pursue local accountability further we recommend first, that the 5 per cent cap that the Department for Communities and Local Government has imposed on local councils should be lifted. Secondly, rather than wait until 2010-11 for the next scheduled review of the police funding formula this should be carried out now. The last full review took place in 2005 and there has been relatively rapid demographic change since. Thirdly, after the failure of the police negotiation and arbitration system in 2007, we believe that there is a case for local pay bargaining, which would allow a more flexible and effective employment regime.

Collaboration

- **Collaborate through locally driven strategic alliances**

There are a number of options for collaboration between forces, but strategic alliances offer the most effective and practical solution to close the protective services gap.

A well-structured system of collaboration could offer the police service a range of benefits, from procurement of police resources in bulk – achieving economies of scale with greater buying power – to coordinating large-scale investigations that span police force boundaries. But some senior police managers lack the skills to manage these types of projects successfully and there is an absence of external quality assurance. Forces would benefit from a system that encourages reciprocity, accountability, and continuity. A central repository of information on best practice would help forces to improve; more investment in training and skills is also needed.

Workforce modernisation

- **Establish transferable police powers**

The introduction of transferable powers of arrest, search and seizure would maximise the use of all police personnel and maintain the ability of forces to deal with unexpected crises (resilience). It would also allow them to respond to increasing demands with fewer resources.

Transferable powers could be conferred on non-sworn members of staff by a chief constable on a temporary basis. This would be particularly valuable for specialists dealing with areas such as cyber crime, fraud and identity theft.

127 Loveday B and McClory J, *Fitting the Bill*, Policy Exchange, June 2007

If the office of constable were abolished (see below), police officers would be able to move between constabulary and non-constabulary roles, taking up and relinquishing certain police powers as the chief constable deemed necessary. Police officers could transfer to new roles without having to leave the force and rejoin in a different capacity.

Transferable powers could also be conferred on police community support officers in response to an unforeseen event where demands on officer numbers were too great for a force to meet.

- **Create unified employment arrangements for sworn and non-sworn staff**

We argue for the introduction of unified employment arrangements. The creation of a shared solemn undertaking for all police employees (while maintaining the constabulary oath) would reduce the distinction between sworn and non-sworn police employees. All personnel should also be required to subscribe to a code of ethics.

These measures would begin to break down the cultural barriers that block reform and workforce modernisation.

- **Retain, but review, the office of constable**

Countries such as Australia and New Zealand have questioned whether the office of constable is still valuable.

We believe that the office does provide the service with a high degree of flexibility, enabling it to respond quickly to the unexpected. However, it may also be a barrier to instituting the unified employment structure needed for workforce reform.

We argue that the office of constable should be retained while an immediate review of rank structure is carried out.

- **Encourage the Police Federation to admit all staff**

Any large-scale modernisation programme will need to make progress in breaking

down cultural resistance to reform. Requiring the Police Federation to admit all staff, sworn and non-sworn, would break down cultural barriers between support staff and officers, unifying the interests of all police employees.

“ The police service is hindered by an overbearing and archaic system of performance management that skews priorities”

In both the Australian Federation of Police and the New Zealand Police Force, their respective police associations represent all police personnel, sworn and non-sworn. Both staff associations believed this serves to strengthen their status and negotiating position with management.

- **Improved use of performance measurement data**

The police service is hindered by an overbearing and archaic system of performance management that skews priorities. The current system is in need of an overhaul that realigns police priorities with the primary concerns of the citizens and public perceptions of safety.

Better use of performance data should also extend to embedding key performance indicators into the contracts of private partners providing support services to police forces.

- **Expansion of non-sworn staff role**

Evidence from police forces running workforce modernisation pilot schemes indicates that the employment of non-sworn staff in a wider range of roles would be likely to improve police effectiveness.

The police service should be encouraged to identify tasks presently carried out by fully warranted officers, such as

guarding prisoners and securing crime scenes, which non-sworn staff could do at a much lower cost. As well as saving money, this would also release officers for frontline duties. We believe that an expansion of the role of non-sworn staff would be a natural consequence of the effective delegation of police budgets to local commanders. Such delegation would begin to change the profile of many local police units as police commanders make much wider use of non-sworn personnel.

- **Identify and reduce “resilience” risks associated with workforce modernisation**

As forces begin a programme of modernisation and non-sworn staff take on new roles with greater responsibility, forces must make sure that they are still ready to respond to unexpected crises, such as terrorist acts. We argued in chapter four that to mitigate these “resilience” risks forces must establish in advance their minimum operational requirements and make plans not to fall below them.

- **Cutting the number of police ranks**

The current structure of eight supervisory ranks above that of constable inhibits police effectiveness. At present it is only possible to reward good policing by promoting officers out of the job in which they have proved to be most effective.

A modern reward system should be based on a streamlined structure of three to four ranks, including constable, sergeant and superintendent, with bands of pay within each rank.

- **Chief constables should act as chief executives in their forces**

Chief constables should be given powers of chief executives over their police force, making police officers and staff their employees. This reform would also allow for local employment bargaining, with chief constables, rather than the Home Secretary, dictating pay and conditions.

Private provision

- **Widen the use of private partnership**

Greater use of outsourcing has potential for cost-savings, and efficiency by making more officers available for frontline duty. The police service needs to identify which support functions can be outsourced to contractors that provide a cost advantage (a development that local police commanders already consider desirable).

- **Strengthen procurement expertise at Home Office and at force leadership level**

The police service should make greater use of outsourcing options. The national police improvement agency is best placed to develop a standard framework for contract negotiation with private providers.

Contracts need to be short term, flexible, accountable through key performance indicators and possibly multi-sourced. After consultation with financial and consulting services experts, the NPIA should establish a training programme that would ensure police forces have well trained procurement staff able to get the best terms from private partnership contracts. That means investment in procurement and contract management skills.

Glossary

ACPO: Association of Chief Police Officers is a professional police association representing members of chief officer teams: chief constables, deputy chief constables and assistant chief constables.

AFP: The Australian Federal Police was formed on 19 October 1979 under the Australian Federal Police Act 1979, after the merging of the former Commonwealth Police and the Australian Capital Territory Police. The AFP is responsible for policing the Australian Capital Territory, the Jervis Bay Territory, Norfolk Island, Christmas Island and the Cocos (Keeling) Islands and also provides protective services for, and on behalf, of the Australian Government.

APA: Association of Police Authorities is a national association representing the interests of all police authorities in England and Wales.

CBI: Confederation of British Industry is a not-for-profit organisation incorporated by royal charter which promotes the interests of its members, some 200,000 British businesses. It is the foremost lobby group representing business in the UK.

CDRP: Crime and disorder reduction partnership is an alliance of organisations, including police, fire service, NHS, local authority departments, legal agencies and voluntary agencies, that is required to generate strategies for its area.

Community safety partnerships: partnerships between local agencies to identify and respond to crime and disorder within their local authority area.

COT: Chief officer team a team of officers at the force level, comprising chief constable, deputy chief constable, and assistant chief constables.

CPS: Crown Prosecution Service is responsible for prosecuting criminal cases.

Crime Levels:

Level 1: local, high-volume crime characterised by antisocial behaviour, vandalism and petty theft.

Level 2: more serious crime such as murder or organised crime. Level 2 crime often operates across police force borders.

Level 3: terrorism and international crime that transcends national borders.

CSR: Comprehensive Spending Review is a governmental process in the United Kingdom carried out by HM Treasury to set three-year departmental expenditure limits and, through public service agreements, defines the improvements that the public can expect from these resources.

HMIC: Her Majesty's Inspectorate of Constabulary examines and improves the efficiency of the police service in England and Wales.

KPI: Key performance indicators are used to measure the performance of organisations or individuals on a pre-established set of criteria. They can be used in outsourcing contracts to ensure providers are meeting their commitments to the client.

Mixed-Economy Team: a team of police officers that usually incorporates a sergeant, police constables and community support officers. The teams are most associated with neighbourhood policing.

NIM: National intelligence model is an information-based deployment system and cornerstone for the management of law enforcement operations in England and Wales. NIM identifies patterns of crime and promotes a co-operative approach to

policing, which requires the participation of other agencies and bodies.

NPP: National policing plan announces police priorities, expectations, targets and developments for policing in England and Wales, as well as details of progress since the previous plan. It is prepared by the Home Office after consultation with police authorities, ACPO and other stakeholders.

NPI: Neighbourhood policing initiative is a programme aimed at putting more police officers out on patrol to increase police visibility and tackle quality-of-life issues that often cause distress, such as graffiti, rowdy neighbours, vandalism, off-road motorcycling, speeding and littering.

NPIA: National policing improvement agency is new agency created to support self-improvement across the police service and to drive forward programmes outlined in the national community safety plan.

NRPP: National reassurance policing programme is a national plan for “reassurance” policing, a model of neighbourhood policing that aims to build public confidence in policing. It involves local communities in identifying priority crime and disorder issues in their neighbourhood, which they then tackle together with the police and other public services and partners.

PA: Police authority is an independent body with responsibility for the appoint-

ment of chief officers, managing finance and monitoring the performance of the force.

PCSOs: Police community support officers are civilian members of staff who wear a police-style uniform. Their main functions are to provide a highly visible police presence in public areas and to deal with low-level nuisance and antisocial behaviour.

Police Federation: The Police Federation of England and Wales is the representative body to which all police officers up to and including the rank of Chief Inspector belong.

PRRD: Police reform and resources directorate was established in April 2007 and replaced the police resources unit. It is responsible for ensuring that there is a programme for police reform carried out in partnership with the Association of Chief Police Officers, Association of Police Authorities and other stakeholders, making use of the NPIA.

PSU: Police standards unit provides support to forces and Basic Command Units to help them to meet the desired levels of performance.

Resilience: state of preparedness, in co-operation with other public services, to deal with major unexpected crises such as terrorist acts.

Special Constables: Part-time volunteer police officers. Unlike PCSOs, they have identical powers to their fully warranted colleagues, working alongside them as equals.

Appendix 1: AFP Work Value Study

Table 5: Integrated pay bands

Band 1-2	Probationer officers and process civilian staff
Band 3-5	Constables and non-sworn equivalents
Band 6-8	Sergeants and non-sworn equivalents
Band 9	Inspector+ commissioner and non-sworn equivalent

A common job classification system was introduced – whereby common terms and conditions of service were designed to improve efficiency and effectiveness. The integrated work levels are described in

Table 6. The column on the far right shows the equivalent ranks for non-sworn police staff, unifying a ranking structure for both sworn and non-sworn police employees.

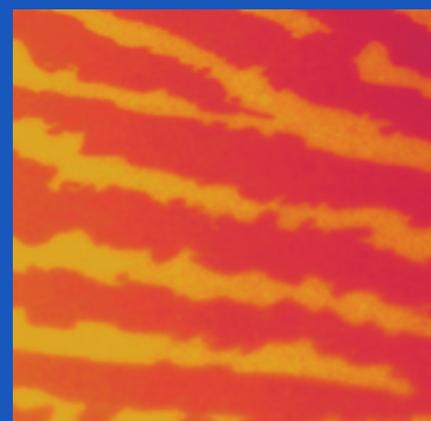
Table 6: Integrated work levels

Work level	Existing police level rankings	New non-sworn staff member classifications
1	n/a	Staff member class 1
2	Constable	Staff member class 2
3	Sergeant	Staff member class 3
4	Superintendent	Staff member class 4
5	Commander	Senior executive officer 1
6	Assistant Commissioner	Senior executive officer 2

The first publication in this series, *Fitting the Bill*, showed that the quality and efficiency of local policing would be improved by delegating budgetary and human resources control to local commanders, and by an overhaul of the performance measurement regime. This research is no less important or ambitious.

Drawing on field work from the Antipodes and interviews with serving officers and policy makers in England and Wales, *Footing the Bill* investigates the challenges police face in containing costs, and in balancing protective services, counter-terrorism and response policing. Barry Loveday and Jonathan McClory suggest ways to address the funding shortfall; deliver neighbourhood policing and a more effective and efficient service; balance the demands of local policing with cross-border crime and terrorism and find an appropriate role for the private security industry.

The authors discuss ways in which the police service could be more effective and efficient even with declining central government funding. Some of the recommendations – such as reform of the office of constable, giving more staff powers of arrest, search and seizure, lifting the cap on council tax increases and reducing the number of police ranks – will be controversial.



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Policy Exchange
Clutha House
10 Storey's Gate
London SW1P 3AY

www.policyexchange.org.uk