

Committee(s): Performance and Resource Management Sub Committee	Date(s): 8 th February 2013
Subject: City of London Police – HMIC Value for Money Profile 2012	Public
Report of: Commissioner of Police POL	For Information
<p style="text-align: center;"><u>Summary</u></p> <p>Her Majesty’s Inspectorate of Constabulary (HMIC) produces Value for Money (VFM) profiles for all police forces as a means of comparing budgets and spending with each other (Appendix A). The majority of forces fall into defined clusters using most similar groupings. The City of London, by its very nature does not have a most similar comparator and as such shows as an “outlier” in a number of areas (definition of an ‘outlier’ is if the force is shown in top or bottom 10 percent and the effect is greater than £1 per head of population).</p> <p>This report is accompanied by a detailed breakdown (Appendix B) of areas where the City of London Police are identified as outliers, which include areas including ;overall expenditure; cost per officer; Non- Staff costs; workforce FTEs; workforce and crime trends and a number of other areas identified by the City of London Corporation Chamberlain’s Department who were consulted in the preparation of this analysis, as being of interest. Where similar areas have been looked at in previous VFM reports the ranking has been included to identify any extremes in direction of travel.</p> <p>A brief rationale is provided on each of the areas in order to clarify why the Force is shown as an outlier. Where applicable an indication of the future costs, as projected by the City First Change Programme, has been included.</p> <p>The common themes that have been identified as positioning the City of London Police as an outlier in a number of the areas include :</p> <ul style="list-style-type: none"> • Not accounting for the higher cost of staff salaries and services in London. • The Force does not benefit from the economies of scale enjoyed by larger Forces. 	

- There is a requirement for the Force as a Home Office force, to perform the same functions and roles as that of larger forces, to provide a policing service to the City Community.

From the main findings from the VFM profiles there are no unexpected findings when the points above are considered.

Recommendations

It is recommended that this report be received and its contents noted.

Main Report

Background

1. Her Majesty's Inspectorate of Constabulary (HMIC) produces Value for Money profiles for all police forces as a means of comparing budgets and spending between forces (Appendix A). The majority of forces fall into defined clusters using most similar groupings. The City of London Police force, by its very nature does not have a most similar comparator and as such is an 'outlier' in a number of areas (definition of an outlier is if it is in the top or bottom 10 percent and the effect is greater than £1 per head of population). An important factor not accounted for in the profiles is the higher cost of staff and services in London. The Force has been identified as an outlier in a number of areas including ;overall expenditure; cost per officer; Non- Staff costs; workforce FTEs; workforce and crime trends.
2. Where applicable, the 'per thousand population' calculations are based on a 'notional' combined working and resident population of 308,000 (2011 figure 316,500). This however, does not take account of the City's large visitor and transient population numbers.

Current Position

3. This report provides a breakdown in table form of areas where the City of London Police are identified as an outlier and also other areas identified by the City of London Corporation Chamberlains Department, who were consulted in the preparation of this analysis, as being of interest. Directorate/Department heads have provided a brief rationale on their respective areas in order to clarify why the Force is shown as an outlier.

City First

4. Where possible an indication of the future costs as projected by the City First Change Programme has been included. City First's objective is to deliver a policing model that allows the City of London Police to meet its objectives within a budget that is being reduced by about 20 per cent over the next four years, as a result of the Government's Comprehensive Spending Review.
5. This has involved carrying out a comprehensive review of the force's operations and design; every aspect is being reviewed and assessed to make sure that it is efficient, necessary, offers value for money and supports the force's policing priorities. The City First Change Programme has considered ways the Force can increase its income or reduce its costs and if there are opportunities to achieve greater efficiency or reduce costs by working in partnership with other organisations to deliver services these will be explored.
6. At the conclusion of the City First Change Programme, a programme of continuous improvement through business as usual, will be embedded to ensure that processes and procedures are assessed and that services are being delivered in the most effective and efficient way. This will allow us to constantly evaluate the demand on the service from the threats, harm and risks facing the force, and shape services around this. It will therefore enable the Force to focus on where it can reduce costs whilst seeking to maintain high performance.

Conclusion

7. The Value for Money profile 2012 does not throw up any surprises due to the unique nature of our location and remit. The high cost of services and salaries allied to a small per head of population figure will always position the Force as an outlier in comparison with regional forces. The programme of work that will carry on after the City First change programme will continue to explore and drive efficiency in all areas of our services. With an ever increasing demand on our services in a tight financial environment, efficiency and value for money are fundamental to the decision making processes of the City of London Police particularly where it relates to service provision, and this will continue to be the case.

Recommendations

8. It is recommended that this report and appendices are received and the contents noted.

Appendices

HMIC Value for Money Profile 2012

HMIC Value for Money Profile 2012 Analysis report

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