

Value for Money Strategy

Police and Crime Commissioner for Lincolnshire
2013/14

VALUE FOR MONEY STRATEGY

Background

1. The Lincolnshire police service has a duty to make the best use of the resources available to it. The majority of its income comes from local and national taxpayers. It needs to be able to demonstrate - to Lincolnshire people and to central government - that it is using the funding it receives to the best possible effect.
2. Central government grants provide over half the service's income. The grant which Lincolnshire receives is well below the national average : in fact, Lincolnshire's grant per head is one of the lowest in England. With a much lower level of resources, it is not possible to provide a police service in Lincolnshire which is much better than the service provided by other forces. However, by delivering good value for money, it can provide a police service which is as good as the service provided elsewhere in the country.
3. Lincolnshire's performance has improved over recent years and, in general, compares well with other areas.
4. Lincolnshire Police, like most other public bodies, has to make substantial savings. Income from government grants is being reduced by 18% in the four years to 2014/15 following the government's 2010 Spending Review. There is unlikely to be an increase in funding in 2015/16 or 2016/17 and there may be further reductions. The council tax for police services will be set locally but within a limit set by central government and the scope for increases in council tax is limited.
5. Lincolnshire police services therefore have to be managed with reducing resources. The total budget available is projected to reduce by some 6% by 2014/15. And it may need to make further reductions in the following years.

Aims

6. Against this background, the aims are to manage resources so that :
 - Police services are comparable to those provided elsewhere in England despite much lower levels of spending in Lincolnshire.
 - Value for money is a key consideration in decision making. This includes :
 - Having robust business plans linking policing plans with the budgets available.
 - Applying a rigorous business case test for all major projects involving new revenue or capital spending.
 - Reviewing all areas of spending periodically through a planned programme of value for money reviews.
 - Arrangements for procurement, commissioning, joint working and partnerships deliver good value.
 - There is a planned approach to finding the savings necessary to balance the budget which is delivered effectively.

Current performance

7. A summary of Lincolnshire's performance compared with other areas of England is shown in the table below. This is taken from nationally published statistics including HM Inspectorate of Constabulary's value for money profiles and HMIC Crime and Policing Comparator

PERFORMANCE OR COST INDICATOR	LINCS	ENGLISH AVERAGE	LINCS DIFFERENCE	LINCS LEAGUE POSITION OUT OF 41 AREAS
Crime per 1,000 population	60.46	68.5	12% lower than average	20 th lowest
Anti-social behaviour per 1,000 population (12 months to March 2012)	25.84	48.78	47% lower than average	2 nd lowest
Crimes solved % (12 months to March 2012)	26.51	27	2% lower than average	27 th highest
Victim satisfaction % (12 months to June 2012)	82.72	83.75	1% lower than average	31 st highest
Expenditure per head of population (2012/13)	£159	£191	17% lower than average	41 st lowest

Delivering savings

Substantial, ongoing savings have been delivered as a result of major reviews over recent years.

Policing change programme

8. The Force undertook a review of its operational structure in order to maintain police services with fewer police officers. It is reducing officer numbers from 1210 in March 2010 to 1108 by March 2013. The new structure was implemented in May 2011.

Strategic partnership contract

9. A commercial partnership with G4S started in April 2012. G4S now provides the majority of back office, control room and some criminal justice services. This has provide direct annual savings of 13.6%. G4S are also required to deliver further annual savings in budgets which they manage on behalf of the Force. A key part of the partnership agreement is that, in addition to providing financial savings, G4S will improve services significantly by transforming the way they are delivered.

Regional collaboration

10. A number of services are provided jointly with other forces in the region. These include intelligence, forensics, and serious and organised crime. This joint working has provided some financial savings but the main benefit is to provide improved capacity and resilience so that the necessary level of services are maintained in Lincolnshire.

Savings in 2013/14 and 2014/15

11. Further savings of £7million are required over the next two years both to respond to the reducing resources available and to meet unavoidable additional cost pressures such as nationally set pay awards.

Planned savings include :

- savings to be delivered in the budgets managed by G4S (a further £1.8m over the next two years)
- savings from the policing change programme (£1.1m)
- revenue savings arising from the capital programme (£1.4m)
- and savings in the retained staffing establishment (£0.7m)

Programme of reviews

12. A number of reviews are being undertaken with the aim of maintaining or improving performance and delivering savings over the next two years.

The current reviews are noted in the table below.

2012/13 REVIEWS
The rank structure of the police officer force with a view to reducing the number of officers in senior ranks and increasing the number of frontline police officers
Police custody provision including the Boston Custody project.
National Police Improvement Agency reviews of operational policing and follow up work including incident response and handovers ; investigation and specialist units ; call handling, demand management and crime management.
Performance and analysis function and resources
Operation Emerald i.e. investigation of serious sexual offences
Asset management strategy and capital programme implications
Treasury management strategy

13. The main emphasis of work in 2013/14 will be on :

- Delivering the planned savings for 2013/14 and 2014/15 described earlier
- Implementing the outcome of the 2012/13 reviews
- Securing the transformational improvement being delivered through the strategic partner arrangement.

14. The following major reviews are also planned :

MAJOR REVIEWS	CROSS CUTTING REVIEWS	SERVICE BASED REVIEWS
2013/14	Analysis and updating of position on the strategic deployment of police officer resources and alignment with the PCC's Police and Crime Plan priorities.	Intelligence, including intelligence support resources .
	Discretionary services, cost recovery and charging policy.	

There are also likely to be a number of smaller scale reviews responding to particular circumstances.

Management and performance

15. Delivery of value for money is overseen by a Value for Money Board. This includes assessing whether the aims described in this Strategy are being met.

The Board commissions some reviews directly and maintains an oversight of all reviews undertaken to ensure that all work impacting on value for money is coordinated.

Independent assessments of the delivery of value for money are also provided by the external auditor and by HM Inspectorate of Constabulary.

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