Date: 2nd September 2013

Subject: HMIC report - Valuing the Police 3

Dear Theresa

I am writing in response to the above reports which you published on 18th July. Clearly the government’s Comprehensive Spending Review and the excessive scale of funding cuts that Greater Manchester Police have to implement presents a significant challenge. I believe that Greater Manchester has responded in a positive manner in managing these savage funding cuts whilst continuing to drive down crime and improve public confidence. It is pleasing to note that the HMIC report recognises this and comments “In HMIC’s assessment the force has delivered a strong response to the budget reductions. It has implemented a change programme that has redesigned the way policing is delivered in Greater Manchester, allowing the force to continue to deliver effectively with fewer members of staff.” HMIC further recognise in their national report that GMP is one of only eight forces nationally that have made a strong response to the challenge with all other forces responses being graded proportionate or weak. This positive assessment of progress has also to be compared to the scale of the challenge which the report identifies as “higher than most other forces, and HMIC considers that Greater Manchester Police faces a particularly difficult challenge.”

Whilst this report comments positively on the progress being achieved in Greater Manchester there is no room for complacency and as I indicated in my January Budget proposals for 2013/14 despite the progress made to date in achieving approximately £90 million budget cuts, I estimated that we would have to implement approximately another £80 million cuts by March 2017. Regrettably the Chancellor’s June statement of additional cuts beyond the end of the current comprehensive spending review has confirmed my estimates. Within this overall picture of unnecessary and severe continuing austerity I would now like to respond to the details within body of the report.

Since the fieldwork undertaken by HMIC I have continued to work with the force to prudently and effectively manage the budget and further develop the medium term financial plan. My budget plans now indicate that by March 2015 we will achieve the level of cuts required and will not have the £8 million funding gap as identified in the report. Our continuing prudent and effective financial management has also meant that spending in 2012/13 was contained within the budgeted figures and there was no requirement to use £7.8 million from reserves as identified within the report.

In implementing these cuts I am determined to minimise the impact on frontline policing and the services provided to the public of Greater Manchester. Whilst the report identifies a reduction of 1500 Police officers over the CSR period these reductions are the result of redesigning business and operational support areas to identify efficiencies and reduce costs. The transforming Policing Services programme which has been developed includes a redesign of the force’s operating systems to align resources to newly integrated neighbourhood policing teams (enhancing the delivery of frontline services). The report notes that the proportion of frontline staff is predicted to increase from 74% in 2010 to 81% in 2015 which is higher than the overall national figure. Since my election I have taken the
opportunity when determining my budget plans for the next four years to fund additional staffing to further improve frontline policing, my proposals include for the recruitment of:

- 200 probationary officers
- 140 operational support staff
- 90 Investigative assistants
- 90 radio operatives
- 100 apprentices

This joint commitment to maintaining a visible policing presence is further demonstrated by the decision to maintain the number of PCSO’s despite the ceasing of the dedicated grant. This compares to an overall planned reduction nationally of 17% over the CSR period. I strongly believe that the PCSO presence on the streets of Greater Manchester plays an important part in reducing crime and building confidence in the police service.

Obviously the scale of these cuts has given Greater Manchester a significant organisational change and GMP has introduced a change and transformation portfolio made up of two key cross cutting programmes, Transforming Support Services and Transforming Policing Services. Clearly as part of transformational organisational change we need to fundamentally review our working practices and resources to deliver these changes. As part of these reviews the force has embarked on developing an estates strategy and IT/IS strategy. Both of these reviews are being delivered in collaboration with commercial strategic partners and are designed to ensure that we have facilities and systems which are fit for purpose. This is particularly important in the IT/IS review where for many years Greater Manchester in common with other forces has failed to fully grasp the potential use of IT to make the police service more efficient and effective. Whilst the outcomes from these strategic partnering reviews have not yet been fully detailed I am expecting these reviews to deliver significant financial savings. However at this stage I have not assumed these savings in the development of my medium term financial plan.

The Priority Based Budgeting approach which has been used as part of the change programme has resulted in non staffing expenditure being challenged and a more focused business case approach being taken prior to expenditure being committed. As part of my ongoing budget strategy and monitoring I am scrutinising and challenging the forces proposals to ensure that we achieve value for money and the maximum savings from our non staffing budgets. This is a continuous process including the detailed scrutiny of all major contracts prior to award or renewal stage.

The report identifies that Greater Manchester has made a lower proportion of its savings from non staffing budgets than the national average however the budgets during the CSR have been calculated on the basis of zero general price inflation. This policy means that non staffing budgets are subject to real term budget reductions equal to the relevant rate of inflation. This approach means that managers are becoming more effective in achieving value for money from their purchases.

The report identifies that Greater Manchester has a track record of working with other police forces across the North West and North Wales for a number of years and also with other agencies such as the Department for Work and Pensions, National Health Service and the Fire and Rescue Service, sharing resources to deliver services. It also identifies that whilst nationally11% of expenditure is on collaboration for Greater Manchester the percentage is at a lower level of 3%. I acknowledge that financial savings may be achievable from collaboration on services but also recognise that that the aim of collaborative projects should be to see no reduction in the effectiveness of the service. In a force the size of GMP the economies of scale that smaller forces achieve through collaboration are achieved internally. Opportunities to collaborate are explored but often the benefits realised are not as great as for smaller forces. I am continuing to look for further opportunities for collaboration and am currently considering options with local authorities, particularly in relation to vehicle fleet and shared public access points. In addition the proposals we are developing for IT hardware and software will involve a strategic partnership/collaboration with one or more commercial partners.

Within the wider Greater Manchester family I am working with the leaders of the local authorities in the region to review what efficiencies can be achieved as a result of collaboration on Public Sector Reform. Since taking office in
November 2012, I have treated Community Budgets (or public service reform as it is named in Greater Manchester) as a priority by ensuring I have provided resources directly into the Public Service Reform Team. Even though the community budgets approach was already established in Greater Manchester, I decided to undertake a review of the whole programme as I see my role over my term of office to examine areas of commonality between criminal justice, local government and community safety services that are ripe for transformation and to promote early intervention and prevention service design. This collaborative approach was not recognised in the inspection but it has been recognised nationally that this new way of working will realise real savings.

Whilst I am pleased with the good work which has been done in Greater Manchester in delivering the savings whilst maintaining an effective policing service and achieving an above reduction in the level of crime, I am aware of the substantial challenges that we still face in delivering these unfair cuts over the next four years.

Thank you for your report and providing this opportunity to respond, if you require any additional information please contact me and I will be happy to assist.

Yours sincerely

Yours sincerely,

Tony Lloyd
Commissioner