



**CLEVELAND
POLICE**

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Briefing for Home Affairs Select Committee

Who We Are?

Cleveland Police is one of the smallest Forces in England and Wales although the area is one of the most densely populated locations in the country, with 9.4 people per hectare compared to a national average of 3.8 people per hectare. In Middlesbrough, this figure rises to 25.8 people per hectare.

We are responsible for policing a predominantly urban, densely populated area, closely resembling metropolitan authorities in socio-economic characteristics and policing needs. There are four unitary local authorities (Hartlepool, Middlesbrough, Redcar & Cleveland and Stockton-on-Tees) which are coterminous with our Local Policing Areas.

Our Communities

Socio-economic factors are significant in predicting areas of higher crime and non-crime demands that put pressure on police resources. It is important that sufficient weighting is given to any socio-economic indicators considered.

The Cleveland area experiences high levels of deprivation. Whilst it covers a smaller geographic area than all other Forces, apart from the City of London, the wards located within its boundaries are some of the most deprived in the country. Within the Force area there are areas which would pose a significant challenge to any police force nationally. In the Vulnerable Localities Index (VLI) analysts' handbook, it proposes that areas that have low income and high unemployment are more vulnerable to suffering from community breakdown. When considering the VLI results in the national context, a significant proportion of localities across Cleveland are vulnerable to community cohesion problems and in turn will require greater police resources than other areas across the region and nationally. Middlesbrough has the greatest extent of deprivation in the North, and is the ninth most deprived local authority area nationally, with Hartlepool being 21st.

There are high levels of long term unemployment; with each of the unitary authorities in the Cleveland area having a higher rate than that of the national average. Middlesbrough has the second highest prevalence of opiate and/or crack use in the country, but the other unitary authorities in Cleveland all have rates



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higher than the national average. In addition, all unitary authorities have rates of children in poverty higher than the national average.

Financial Context

In 2010/11 the former Police Authority set a budget to deliver 'just' Policing of £147.3m. In 2017/18 we expect to set a budget to deliver Policing, Community Safety Initiatives and Victims and Witness Services totalling £131.6m.

Our government grants over the last 7 years have reduced in Cash terms by over £25m, so in real terms we are about £40m worse off than we were in 2010/11 and we are delivering much more.

One of the keys to being able to deliver more has been through our significant collaboration and partnership working, both with public and private sector partners, further details of which are provided later in this briefing. We are keen to pursue this further as we see it as a key enabler to future efficiencies and more effective services however our experience tells us that to deliver collaboration in the most effective and sustainable way requires dedicated resources – this is something that we simply don't have available to us currently as we simply don't have the financial scope to make this a reality.

Towards 2020

A key priority for the Force has been the development of a sustainable service model that can effectively respond to threat, harm and risk and bring about safer and stronger communities. This has been shaped by the Force strategy 'Towards 2020' which clearly sets out the future shape of the organisation as being:

- Local Policing
- Operational Collaboration
- Enabling Services

This reshaping is aligned to our Strategic Threat & Risk Analysis (STRA) and demand profile (including alternative approaches to dealing with or reducing demand) which directs focus into those areas of policing that require emphasis. The Towards 2020 Strategy has collaboration as one of its 3 core priorities. Our current collaborations equates to approximately 30% of total spend.

We collaborate with Cleveland Fire Brigade in respect of estates and some specialist vehicles. However, we recognise the huge potential of deeper collaboration with the Fire Service to improve community safety and increase efficiency. We are in close discussion with the Chair of the Fire Authority and Chief Fire Officer in respect of shaping this future.



What Does a Marginal 1% Funding Mean for Cleveland?

1% of grant = £842k

Marginal funding has been invested in prevention activity in Local Policing £1.2m:

- 5 Crime prevention co-ordinators
- 1 Community cohesion co-ordinator
- 1 Refugee / Asylum seeker co-ordinator
- 2 Hate crime investigators
- 4 Early intervention co-ordinators
- 3 Schools liaison PCSOs
- 2 Integrated Offender management research officers

What would we do with an additional 1%?

- Further prevention activity to make a sustainable difference to our communities:
- Protecting Vulnerable People
- Cybercrime
- Place based partnerships
- Activity to support NEETs

Review of Funding Formula

Any allocation of funding must provide the greatest national 'good' in developing safer and stronger communities.

We recognise that no funding formula can mirror the demand for complex public services perfectly. Those of us concerned with the financing of public services must accept that as a fact of life.

Consequently, any extant or proposed, formula must be 'good enough' to provide a level of assurance around equity (as in needs based not equal) of resource allocation and have the transparency to provide a reasonable level of assurance that this is the case.

Equity should be measured by funding being allocated to communities that are:

- Most vulnerable to harm
- Most in need of support

Consequently we support the core principles and policy objectives set out for the review. The following are particularly resonant:

- Alignment with relative risk and demands
- Recognising local circumstances including ability to raise council tax
- Encouraging upstream crime prevention



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Precept

While we recognise that we have one of the higher Band D precept levels in the country – 7th highest in 2016-17 at £210.36 - this isn't the whole story.

Despite this we only receive £55.03 per head of population from our precept which is lower than the national average of £56.27.

The reason for this is due to the make-up of our communities and the houses that they live in. Each £1 we add to our Band D precept only generates us £0.26 per head of population in Cleveland. This is around 27% lower than the national average of £0.33.

If we were in line with the national average we would generate an additional £8.3m per annum in precept. This is nearly 7% of the funding we have available on an annual basis.

This is why it is vital that the funding formula reflects the ability (or lack of ability) of PCCs to generate funding locally. We are therefore happy to see that this is included within the formula and would hope that it plays a prominent role in the final formula.

Many of the numbers above look at averages based on a per head of population basis – this is the same as the majority of HMIC Value for Money indicators. While it is an understandable and easy basis for calculations, it is also fundamentally flawed - as the underlying assumption is that all people within the population have an equal need and an equal draw on the services being provided by the organisation – this is clearly not true at any level of analysis.

As previously stated, socio-economic factors are significant in predicting areas of higher crime and non-crime demands that put pressure on police resources. It is important that sufficient weighting is given to any socio-economic indicators considered.

It is therefore vital that while we appreciate that the basis of any funding formula will have its roots in population it is also vitally important for it to be able to recognise that our communities have different needs and vulnerabilities and this leads to them using, and needing the support from, all public services in very different ways.

It is vital that we recognise, through this funding formula review, these differences.

In any system the funding formula will be criticised as being 'unfair'. Those organisations being vociferous about the unfairness of any emerging proposal for policing should be countered by the fact that the current Police Allocation system is inherently 'unfair' as it has embedded inequality through the use of the damping mechanism as a permanent feature rather than a means of transition.



Appendix 1 Plan on a Page



Our plan on a page



Appendix 2 Response to Austerity

Neighbourhood Policing has been and remains the core of policing in Cleveland. Government austerity measures have reduced the opportunity to maintain overall officer numbers. The Force has reduced its establishment from 1,727 FTE Police Officers in 2010/11 to the current 1,292 FTE police officers, a reduction of 435 officers.

In the main the reductions have been achieved through:

- Strategic Partnership with Sopra Steria
- The Orbis Programme & Towards 2020 Strategy
- Collaboration with other forces

Strategic Partnership with Sopra Steria

The outsourcing contract with our partner Sopra Steria resulted in 161 FTE police officer posts (about £8m) being deleted. These posts were in back office functions that are now provided by Sopra Steria. No front line roles were removed.

Orbis Programme & Towards 2020 Strategy

The Orbis Programme was initiated in April 2012 as the Cleveland Police approach to delivering an organisational structure and working practices that were both affordable, fit for purpose and maintained or improved on current levels of performance. The initial target operating model was developed with the caveat of no reductions in police constables numbers in the following functions Neighbourhoods, Response or Volume Crime.

As a result of Orbis 156 posts (about £7.8m) were deleted. These were largely achieved by taking out managerial roles, non-frontline roles and eliminating duplication. This included the removal of the Basic Command Unit management structures and centralisation of intelligence teams. It also included the deletion of executive support posts such as the Chief Constable's driver and Deputy Chief Constable's Staff Officer.

A key priority for the Force has been the development of a sustainable service model that can effectively respond to threat, harm and risk and bring about safer and stronger communities. This has been shaped by the Force strategic five year position paper: 'Towards 2020' document which clearly sets out the future shape of the organisation as being:

- Local Policing
- Operational Collaboration
- Enabling Services

This reshaping is aligned to our Strategic Threat & Risk Analysis (STRA) and demand profile (including alternative approaches to dealing with or reducing demand) which directs focus into those areas of policing that require emphasis. This has led to the deletion of approximately 75 posts (about £3.75m).

Collaboration with other forces

Through collaboration with other Forces, in particular Cleveland and Durham Special Operations Unit (CDSOU), NERSOU and EVOLVE, the force has reduced duplication and increased resilience resulting in the deletion of approximately 30 posts (approximately £1.5m).

Reduction in Management Roles (approximately £2.6m)

Non Pay Savings

Savings from strategic contracts totalling £1.8m have been assumed in 2016/17 rising to £2.9m from 2017/18 onwards. Further sundry savings totalling £1m have also been identified and budgets reduced accordingly.

Savings-Strategic Contracts	
	£000s
Steria Saving-Strategic Intent 2	(2,000)
NPAS Cost Model	(380)
NPAS Flying Hours Reduction	(300)
Tascor/Custody	(250)
	(2,930)

Savings-Sundry	
	£000s
National ICT Recharges	(118)
CBRN Suit Replacement	(202)
Telephony Refresh	(143)
Petrol	(105)
Fleet Maintenance Collaboration	0
Contract Inflation Adjustment	(264)
Bluelamp Procurement Savings	0
Miscellaneous Savings	(161)
	(993)

In addition to the above, the Estates Blueprint has delivered savings of £180k with a further £130k planned by making better use of estate and divesting of leasehold properties and a further £360k will be delivered by the move from Police Headquarters at Ladgate Lane to the Cleveland Community Safety hub.

Office of the PCC - £350k savings

The Office of the PCC costs £350k per annum (which is around 33%) less than the budget inherited from the former Police Authority. Savings have been made through reduced governance costs, less staffing, less professional fees (audit fees for instance) and subscriptions, less travel costs.

Corporate Costs - £750k savings

Over the last 3 years we have reduced the level of Borrowing/Loans in the organisation by £6.2m (which is around 25%) this has resulted in us paying around £200k per annum less in interest and also reduced the amount we have to set aside for the repayment of debt by £500k per annum. In addition we have reduced the costs of printer leases within the organisation by £50k through rationalisation and better contracts.

National Air Support - £400k savings

While the transition to NPAS was required (almost mandated by the government) it has saved around £400k per annum so far. There is the potential for further savings in the future that simply wouldn't have been possible as part of a standalone 'Cleveland' only unit as there simply isn't the economies of scale to reduce the significant fixed costs associated with owning and operating your own helicopter. Both the financial model and operating model are kept under close review.

Procurement Savings - £1,000k cashable savings

Over the last 3 ½ years procurement savings of over £1m have been generated. This included;

- £125k that has been saved on the costs of purchasing new Police vehicles from the new National vehicle contract.
- Updating and improving the Telephony system which is expected to save around £150-200k per annum in maintenance costs while improving the functionality.
- New contract for phone lines and call costs saving £55k over 2 years.
- CCTV Planned & reactive maintenance services - Contract awarded to a local small/Medium business saving £25k on planned works over the life of the contract.
- Interpreters - Working with Northumbria and Durham Police, a new managed service contract for all Interpreting and Translation services has been put in place using an NHS Framework Contract. Anticipated to deliver £49k of savings per annum.

Confirmation of Further Investment in Protecting Vulnerable People

Cleveland Police aim to make our communities safer and help them become stronger and to deliver this resources are deployed based upon threat, risk and harm. The budget cut requirements of recent years together with the growing demand in protecting some of the most vulnerable in our communities, like children at risk of sexual exploitation and managing sex offenders has generated considerable pressure on dedicated staff. In November 2015 the Chief Constable

and PCC were able to announce an increased investment of £2m in protecting vulnerable people. This reconfiguration of local policing will enable the Chief Constable to have the right balance of resources to protect, intervene and prevent those most vulnerable in our community becoming victims or subject to repeat victimisation.

Proposed Investment in Neighbourhood Policing

The current Police and Crime Plan gave a commitment to retaining and developing neighbourhood policing. What follows in the PCC next term of office in respect of this will be based upon wide ranging public consultation and enabled through economies and efficiencies secured.

Prudent financial management and governance has provided an opportunity for the consideration of additional investment of £1.2m in harm reduction and preventative activities across our communities and to develop a package of enhancements to our Neighbourhood Policing model. A range of proposals have been agreed by the Police and Crime Commissioner as part of a strategy to deliver significantly enhanced positive outcomes for our communities, particularly those who face the highest levels of risk of harm, crime and anti-social behaviour.

The package will be delivered over the next year, it will be underpinned by the selection, recruitment and training of the right individuals and further development of the strong relationships we have with partners across the Cleveland Police area.

Appendix 3 Collaborative Arrangements

Counter Terrorism Unit (CTU)

Based in Leeds, the North East Counter Terrorism Unit is part of the national CT network preventing and tackling violent extremism. West Yorkshire are the lead force and the West Yorkshire Police and Crime Commissioner and Chief Constable are signatories to the National Agreement by which they receive the funding for the Unit.

Forensic Science Services

A regional contract to deliver forensic services to contributing forces following the demise of the national forensic science service.

National Police Air Service (NPAS)

The National Police Air Service is run on behalf of policing in England and Wales by West Yorkshire Police, with all participating forces contributing to the costs. The current cost is £1m. A Section 22a Collaboration Agreement is in place.

North East Regional Serious and Organised Crime Unit (NERSOU)

The North East Regional Serious and Organised Crime Unit (NERSOU) creates additional specialist capacity to deliver an increased response to tackling serious organised crime that transcends force borders. The mission of the unit is to tackle those organised crime groups causing the greatest levels of harm to communities in the North East.

NERSOU comprises of the following specialist teams:

- Regional Organised Crime Units (ROCU) – one of only 10 in the country
- Regional Intelligence Unit (RIU)
- Regional Confidential Unit
- Prison Intelligence Unit
- Regional Investigation Team (Operation Bombay)
- Regional Asset Recovery Team (RART)
- Fraud Intelligence Unit
- UK Protected Persons Service
- Regional Covert Policing
- Technical Surveillance Unit

With the intention to work collaboratively to tackle fraud and cyber enabled crime.

A Section 22a Collaboration Agreement was signed by the Chief Constables and Police & Crime Commissioners of Cleveland, Durham and Northumbria in October 2013 which sets the governance arrangements and the funding formula. The NERSOU budget is £6.7mm, of which £0.5m is from Home Office funding to support the Core Capabilities. Cleveland Police contributes £1.4m each year.

Cleveland and Durham Specialist Operations Unit (CDSOU)

The Cleveland and Durham Specialist Operations Unit has been in existence since April 2011 incorporating:

- Armed response
- Roads policing
- Collision investigation
- Motorcycles
- Camera safety
- Traffic management
- Dogs (Recently expanded to include North Yorkshire under Evolve).

It also works very closely in terms of joint working on the topics of public order teams and their training and CBRN.

A Section 22a Collaboration Agreement is in place between Cleveland Police and Durham Constabulary. The Unit is overseen by a CDSOU Project Board, Chaired by the ACC from Cleveland Police and the Joint Operations Group, chaired by the ACC from Durham Constabulary. Cleveland Police currently pays £6m in respect of CDSOU each year

Urlay Nook Firearms Training Centre

In 2001 Cleveland Police and Durham Constabulary entered into a PFI contract with John Laing to build and maintain a firearms training centre. The centre is staffed by officers and police staff from both forces, and costs Cleveland Police £1.6m per annum.

Fingerprint Bureau

Cleveland Police has a long established fingerprint bureau with Durham Constabulary. The Cleveland contribution is £400k per annum.

Evolve - North Yorkshire, Cleveland and Durham

The Evolve Programme is an umbrella term to cover a whole range of collaboration activities which the Cleveland, Durham and North Yorkshire Forces will plan and undertake together. These might include agreeing to co-operate on specific issues at specific times, establishing joint teams made up of people and resources from each separate organisation to tackle a common issue, or developing integrated services where we operate as one.

During the year, the Force has made significant progress with the Evolve Collaboration arrangements, and a Section 22a Collaboration agreement has been signed by the PCC's and Chief Constable's of each Force. Arrangements are now in place for the provision of fully collaborated dog support across the three forces. As part of the Evolve programme, Cleveland Police and North Yorkshire Police have agreed a joint major crime investigation team that went live in November 2016. All three forces have developed a specification for fully collaborated Legal Services and Information Rights and Disclosure Services, and are have made a joint appointment to develop a delivery model.

North East Region 7 Force Collaborations

An overarching Section 22a Collaboration Agreement is in place to underpin opportunities that emerge. To date, regional agreements for Chemical, Biological, Radiological and Nuclear (CBRN) and Disaster Victim Identification (DVI) are in place.

Cleveland Police and Cleveland Fire Brigade

The Knight Review of Fire and Rescue Services made clear that fire authorities cannot deliver the efficiencies and transformational change needed in order to meet the challenges of the future without collaboration. The report highlights greater collaboration between blue-light services as a way to drive out inefficiencies and provide a more joined up service.

A Memorandum of Understanding was signed in January 2015 and strategic level discussions have been undertaken to establish areas for development and agreement. These have centred on exploiting the savings to be made from shared buildings and other assets. Proposals are now at 'approved in principle' stage.

In 2016, in the light of the proposed legislation to enable PCCs to take on the functions of Fire & Rescue Authorities, a Joint Statement of Intent on future joint working is now under consideration by the Fire Authority, PCC, Chief Fire Officer & Chief Constable.

Sopra Steria

In 2010 Cleveland Police signed the first, ground breaking police outsourcing contract with a private sector provider. The contract delivered significant savings from the first year and by year 3 was delivering £8m of recurring savings, it also enabled Cleveland Police to transform its technology.

The partnership agreement included the delivery of:

- Call handling
- Criminal justice
- Finance and payroll
- Human Resources, Occupational Health and training
- Operational and Emergency Planning
- Information and Communication Technology
- Front Desk and Switchboard
- Procurement
- Fleet Management
- Central Business Functions

The annual cost to Cleveland Police was £19m.

However, due to the grant cuts under CSRs 2010 and 2013, the Chief Constable and Chief Executive of Sopra Steria (UK) agreed that there was a need for Enabling Services to be respecified, redesigned and reconfigured to deliver the minimum level of service required to support operational policing, provide savings to protect front line services and reduce costs.

The new service model will facilitate the partnership behaviours to enable flexible and successful service delivery. This will be underpinned by developing a partnering relationship based on commercial trust. Accordingly, the focus must shift from a numeric approach of measuring performance through an onerous suite of KPIs, many of which distract from service delivery and add no value, to a focus on quality outcomes. This approach has been proven to be successful in a number of world class organisations including Google and Pepsico.

The Force reached an agreement with Sopra Steria (UK) and implemented the changes. This has resulted in savings of £2m per annum.

Tascor

In 2006 Cleveland Police entered into an agreement with Reliance (now Tascor) for the provision and maintenance of four PFI police stations including two custody suites, at a cost of £5m per annum. In 2007 they also entered into an agreement to provide the custody/medical services including detention officers and nurses at a cost of £3.3m per annum. The service will be re-tendered in 2017.

Children's Hub

Multi professional triage and assessment hub to improve intelligence sharing, risk assessment and decision making in the identification of vulnerable families and ensuring they get access to the right early or specialist support. This is being developed as a prototype to be delivered initially on a north of Tees basis and for wider roll out across the sub region.

The Children's Hub went live on 1st June 2016 with a wide range of partners, including:

- Cleveland Police
- Stockton Borough Council
- Hartlepool Borough Council
- Child & Adolescent Mental Health Services
- Child Protection
- Education
- Social Services
- Local Authority Designated Officers (LADOs)
- Operation Encompass
- Harbour

Integrated Offender Management (IOM)

The Force has established an Integrated Offender Management (IOM) scheme with partners to deliver a community based joint strategy targeting the relatively small number of people responsible for a disproportionate amount of crime and disorder in our communities.

During the year an audit of the IOM was undertaken as part of the internal audit plan for 2015/16. The auditors reported that the Force could take substantial assurance that the controls upon which the organisation relies to manage the risk of failure to ensure partnership commitment and funding, are suitably designed, consistently applied and operating effectively.