

A review of HMIC value for money profile 2009/10

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1. Introduction

In October 2009 Her Majesty's Inspectorate of Constabulary (HMIC) issued Finance and Resources (F&R) Analysis 2009/10, comparing the planned expenditure of the Metropolitan Police Service (MPS) with that of its Most Similar Forces (MSF), which are considered to be Greater Manchester, West Midlands and West Yorkshire. To supplement this, HMIC developed individual force 'value for money' (VfM) profiles comparing *estimated* 2009/10 budgeted net revenue expenditure (NRE) of the MPS with that of its MSF. Profiles were issued to forces in December 2009. The development of the VfM profile is a response to the Home Office's (HO) Green Paper, which identified VfM issues as a focus for HMIC. It is expected that VfM profiles in due course will be incorporated into the Policing Objective Analysis (POA).

Both the F&R analysis and the VfM profile are very high level analysis using nationally published and non-published data (CIPFA 2009/10 Statistics, Home Office crime data 2008/09 and Annual Data Returns). The F&R analysis paper concentrates on inputs to the service and does not relate inputs to outputs or outcomes and the VfM profile aims to provide comparative information on resourcing levels and performance outputs which are relevant, timely and accessible. Both are designed to be used as diagnostic tools to ask the right questions, investigate the reasons for differences and identify opportunities where productivity could be improved. An evaluation of this data can be used to support future budgetary decisions.

HMIC accepts that both forms of analysis do not provide a comprehensive comparison of the spending of similar forces, and acknowledges that they are ultimately limited by the quality of the budgetary information provided to CIPFA by each force.¹ However, it anticipates that each force will pursue further detailed analysis of its own expenditure.

Overall the HMIC F&R comparison demonstrates that the MPS spends a comparatively lower percentage of gross budget than other forces on Police Officer pay (55.7% v 59.2% average) and a higher percentage of gross budget (21.1% v 17.6% average) on non-pay expenditure notably premises and supplies & services. The MPS cost of service per police officer is also greater than for any of the other MSF, albeit the cost of service per police officer has reduced slightly, compared with last year. Although VfM comparisons are made using NRE on a per capita basis or as a percentage of staff costs, the VfM profile supports the HMIC F&R analysis, demonstrating

¹ All analysis is based on estimated 2009/10 budgeted net revenue expenditure; no comparisons have been made on the actual expenditure figures of MSF

that the MPS has a 47% higher budgeted NRE than MSF, again with most notable variances in premises and supplies & services, as well as staffing costs.

This paper looks in greater detail at the HMIC F&R analysis and VFM profile of costs, staffing, offences and satisfaction and explores a number of internal and external issues that provide context to the HMIC results. It raises a number of issues that influence the expenditure and resourcing of the MPS together with a guide to the magnitude of their effect.

2. Contention of HMIC VfM data

The HMIC VFM profile shows MPS NRE of £3.2bn, whereas the MPS budget book shows NRE of £2.6bn. This variance is assumed to be as a result of the exclusion of specific grant funding from the HMIC data. Although this application is consistent across all forces, this distorts MPS expenditure on both pay and non-pay lines, as Home Office (HO) formula based grants are adjusted to take into account the higher costs associated with operating in London including:

- Capital city functions funding for costs associated with London being the seat of government, requiring the management of more policing activities.
- Allowance for the London effect, whereby the HO grant formula allows an 18% increase in funding to account for the additional costs associated with operating in London. The Lyons Review supports the argument that London is more expensive, recognising that organisations moving out of London can make savings of 20-30%.²

Per head of population, the MPS receives 80% more specific grant funding than the average of the MSF group. Therefore, with the removal of specific grants from NRE, it is expected that both MPS staff and non-staff costs will appear to be disproportionately greater than those of MSF.

Whilst HMIC intends that in due course the VfM profile should be incorporated into the POA, there are issues about comparability of data, as the HMIC VfM profile uses NRE, whereas POA uses gross expenditure.

The staffing section of the VfM profile states that the impact of National, International and Capital City (NICC) policing has been removed from all forces, however more clarity on what has been removed – whether just FTEs, or if the costs and associated overheads have been excluded from

² Lyons Review – Independent Review of Public Sector Relocation, 2004

the remaining sections of the profile also, needs to be provided. A review has recently been undertaken by the MPS, which shows that budgeted expenditure for NICC activity for 2009/10 is £634m, although funding is only £541m. There is a shortfall of £93m in NICC funding, which impacts revenue expenditure. NICC activity, if not removed in its entirety from the profile will also affect the offences comparisons. NICC commitments are not shared by the other forces to the same extent.

The VFM profile is based upon expenditure per capita of the resident population. This is an area of contention as the population of London is stated as 7.5m in the VFM report, as per CIPFA statistics. However, according to The Mayor's 'London Plan 2009', the population of London is 7.6 million (mid-2008 estimate).³ The resident population is expected to grow to around 8.1 million by 2016, and around 8.7 million by 2026. The population figure in the VFM report also does not take into account the 0.9m commuters that enter the capital daily, as well as tourists, who are often victims of crime. Tourist nights in London in 2003 totalled 79m.⁴ Taking the mid-2008 estimate of 7.6 million as a guide to London's resident population and increasing this figure for commuters and tourists, as per the above statistics, a reasonable estimate for the population the MPS polices is considered to be 8.7 million. London's day-time population is therefore significantly greater than the stated residential population and as such, the suitability of comparing staff costs on a per capita basis is questionable.

3. Most Similar Forces

Police Force	09/10 Gross Expenditure budget (£'000)*	Gross Expenditure budget as a % of MPS budget	Police Officers * FTE	Police Staff * FTE	Population*	Population Density (hectares per 1000)*
MPS	3,563,298	100%	32,610	14,417	7,611,900	21
Greater Manchester	681,068	19.11%	8,232	4,068	2,573,500	50
West Midlands	664,165	18.64%	8,637	3,570	2,619,500	34.4
West Yorkshire	510,476	14.33%	5,854	3,483	2,200,500	92.2

* Figures have been calculated based on figures shown in CIPFA statistics and HMIC analysis

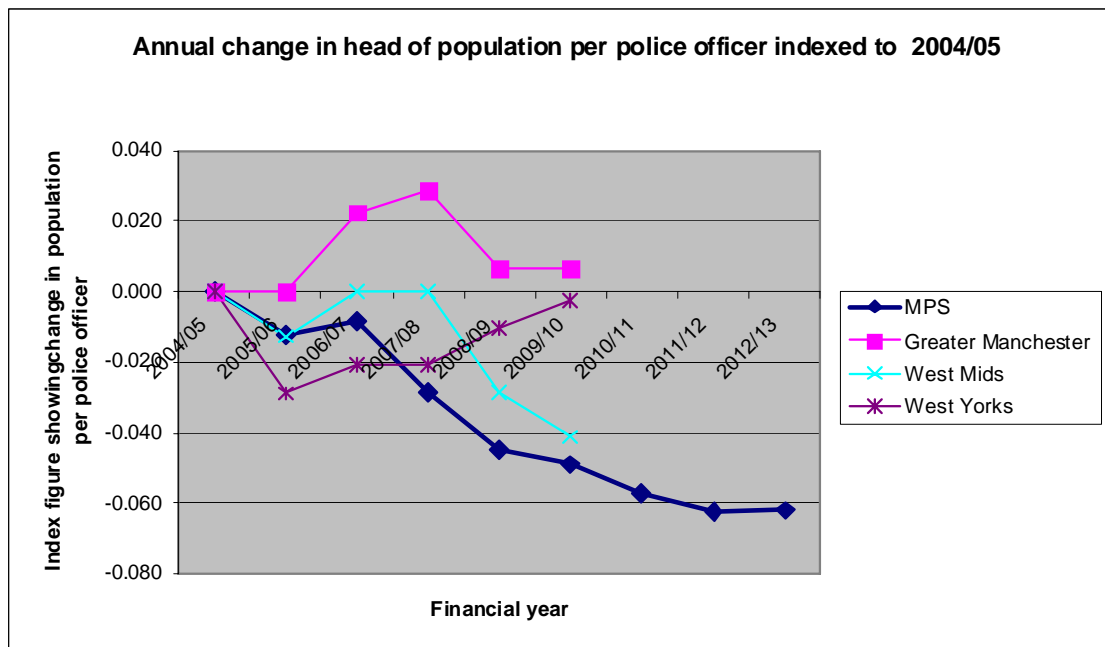
³ The Mayor of London, 'Investing For Recovery - A New Deal For London', December 2009

⁴ Office of National Statistics

Although considered to be similar to the forces against which expenditure and performance has been compared, the MPS differs considerably both in terms of its own size and the size and nature of the population it serves:

- The gross expenditure budget of the MPS is more than 5 times that of the gross expenditure budget of any of the other MSF.
- The population of London is almost 3 times the population of the West Midlands (the 2nd largest population of a MSF).
- The population density of London is greater than that of any area served by the other MSF.
- London is experiencing, and will continue to experience, an increasing population made up from new and diverse communities that are more difficult to police and protect⁵.

Over the last six years the number of police officers relative to the size of the population has increased the most within the MPS. There is, however, predicted to be an increase in the London population over the next seven years and (assuming numbers of police officers remaining constant) a consequent increase in ratio of Londoners to police officers.



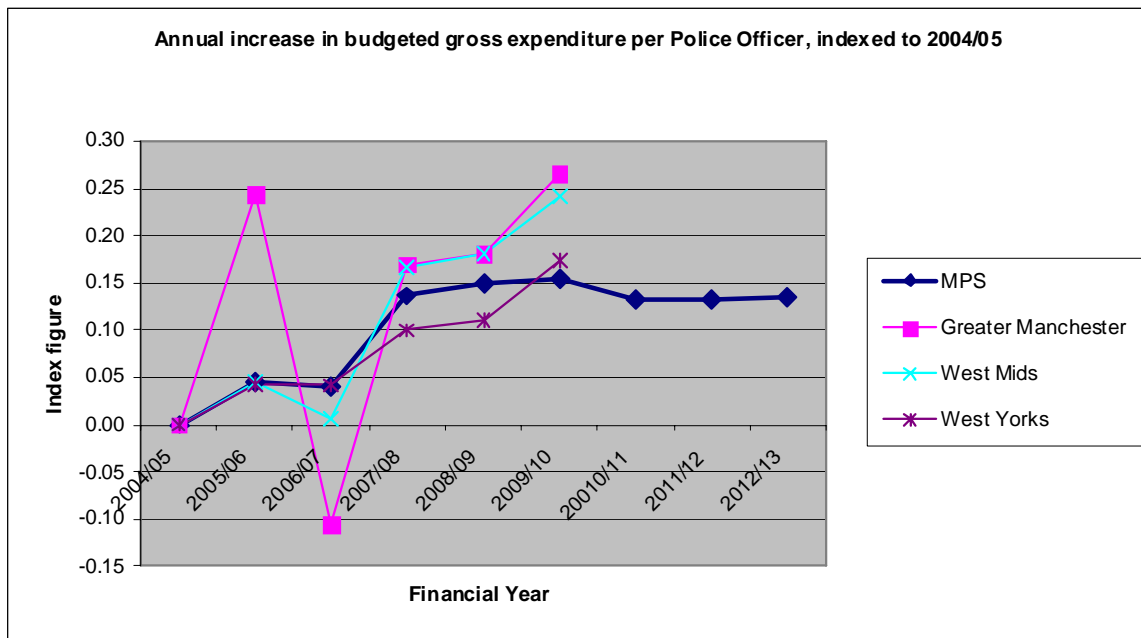
⁵ The London Landscape, SMPD, SRU, Jan 08

In the above graph, the MPS data for annual change in heads of population per police officer, indexed to 2004/05, has been extended to 2012/13 to demonstrate how growth and savings in police officer Full Time Equivalents (FTEs) will affect heads of population per FTE in future. The latest London resident population figure of 7.6 million, which is taken from The Mayor's 'London Plan 2009' (mid-2008 estimate) is used as a population basis from years 2010/11 onwards, in absence of resident population estimates for future years. Future heads of population per officer FTE reduces in the next two years, albeit at a slower rate than in previous years, and levels off in the third year. The resident population figure does not however, take into account the transient population of London or the effects of the London Olympics in 2012, which the MPS will police.

4. Gross Expenditure

Of the MSF group, the MPS has the highest:

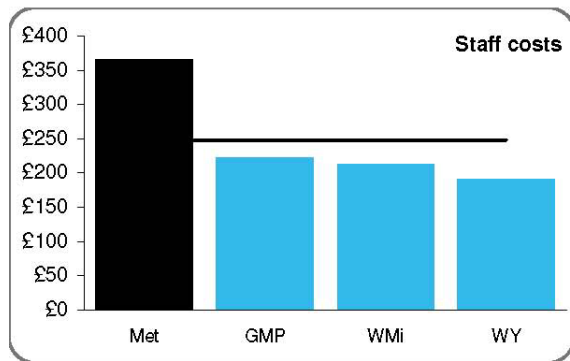
- Gross expenditure per police officer (PO) FTE and per 1000 population (including the highest comparative percentage of budgeted expenditure for supplies and services and premises, albeit there have been savings made in both areas since last year).
- Management on costs based on HMIC and HO statistics.



Comparative data from the previous five years shows that over this period the MPS Gross Expenditure per police officer has grown by a similar percentage to that of MSF, and this growth

in expenditure has occurred more steadily over the last five years than in some other MSF⁶, such as Greater Manchester. However in the current year, although the trend has continued for MSF, the MPS rate of growth in budgeted expenditure per police officer appears to be levelling off due to marginal changes in budgeted gross expenditure and police officer numbers. The MPS data has been extended to 2012/13 to demonstrate how growth and savings in expenditure and police officer Full Time Equivalentents will affect gross expenditure per police officer as a result of Service Improvement projects and other efficiency initiatives. Future gross budgeted expenditure, indexed back to 2004/05, reduces next year, levelling off in years two and three, to below 2007/08 expenditure. This demonstrates that the MPS is making savings and endeavouring to provide value for money.

5. Staff costs



The HMIC VFM profile shows MPS staff costs per head of population exceed those of MSF by 48%. In monetary terms, the MPS expenditure on police officers exceeds that of MSF by £0.6m. This can partly be explained by the increased costs associated with living in London, which are not offset by corresponding formula grants, resulting in distorted figures and hence showing MPS costs as disproportionately higher than those of MSF - as discussed in section two of this report. Officer salary costs are also higher than those of MSF due to the complexity of the functions that the MPS provides, which requires a higher proportion of senior Officers with greater experience, compared with MSF, including a Commissioner and Deputy Commissioner.

MPS budgeted NRE for PCSOs exceeds that of MSF by 64%. The Safer Neighbourhoods programme in the MPS began its phased roll out in April 2004, and in April 2006 the remaining teams were put in place - two years ahead of the Government set target for national neighbourhood policing. It is expected that PCSO expenditure will increase throughout MSF over

⁶ All annual expenditure figures is in actual terms; no account is taken for inflation

the next two years, as this scheme is developed. Increased expenditure is also explained by the increased costs associated with living in London, as discussed above.

The staff expenditure is analysed per capita of the resident population. As stated in section two of this report, this basis of comparison is contested, due to the estimated transient population of London being far greater than its resident population alone. Based upon a population of 7.5m, MPS staff expenditure per capita is 49% higher than the MSF average. Using a population figure of 8.7m, this variance is narrowed to 28%. The population density of London is also greater than that of any area served by the other MSF and is experiencing, and will continue to experience, an increasing population made up from new and diverse communities that are more difficult to police and protect.⁷ As a result London requires more police officers, PCSOs and police staff.

Staff costs are also affected by higher London living costs, which increase market wage rates in the capital relative to the rest of the country. There is a public sector wage premium in Inner London of 24% (26% within Central London).⁸ In addition to a higher wage rate, an overheated labour market in London typically increases the rate of staff turnover and associated recruitment and training costs. This issue is compounded for the public sector in London as recruitment is harder due to the inflexibility of public sector national pay scales. This has typically been overcome by filling posts with higher grades than necessary elsewhere. Such issues are taken into consideration in the calculation of formula grants, which have been removed from NRE totals and as a result, MPS labour costs will appear to be disproportionately greater than those of MSF.

The MPS has undertaken a number of Service Improvement Plan (SIP) projects, which address workforce efficiency and will in turn produce efficiencies in non-staff costs also. These projects include:

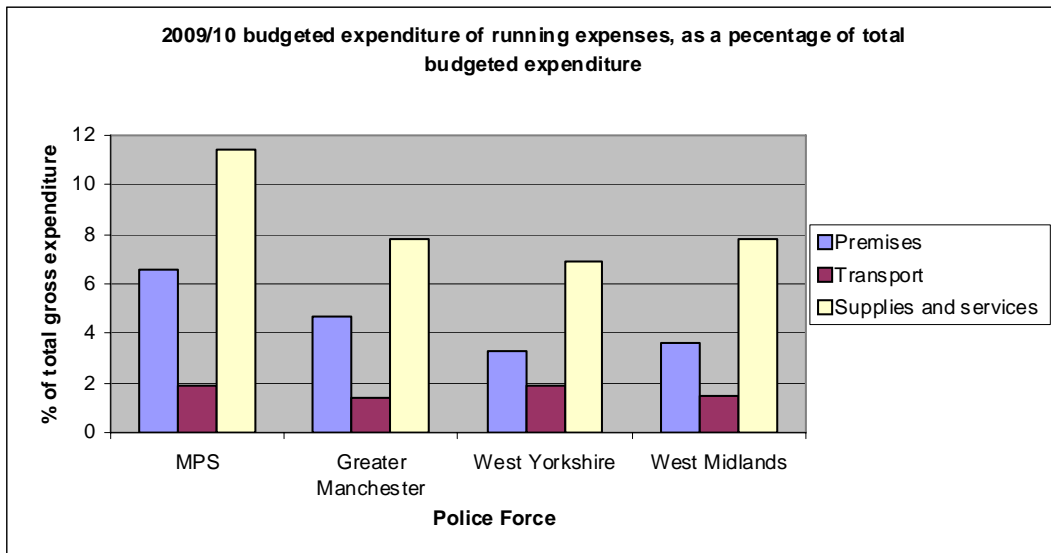
- TP re-alignment - The overall aim of this project is to realign MPS activities to drive out better value for money, economies of scale, consistency in delivery and better performance – putting the community at the heart of delivery; and
- The review and restructure of Finance and Resources support services, which is entering into phase two and aims to continue development of the delivery of finance functions effectively, consistently and professionally by centralising functions.

⁷ The London Landscape, SMPD, SRU, Jan 08

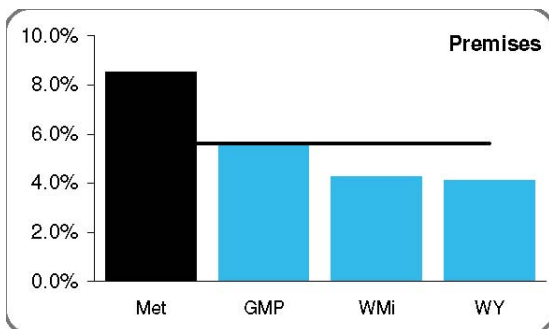
⁸ Lyons Review – Independent Review of Public Sector Relocation, 2004

6. Non Staff Costs

The HMIC VfM profile shows that MPS non staff costs as a percentage of staff costs are 7% higher than the average of the MSF group, most notably in premises, supplies and services and transport costs. HMIC F&R data supports this, demonstrating that the MPS has a larger expenditure budget, as a percentage of total budgeted gross expenditure, on premises and supplies & services costs than any of the other MSF, as shown in the graph below. It should be noted however, that the MPS strives for VfM in both staff and non-staff costs, which is evidenced in the 0.5% reduction in financing received through council tax this year, compared with last year, whereas MSF on average have received an increase in financing through council tax of 2.5% between the two years.



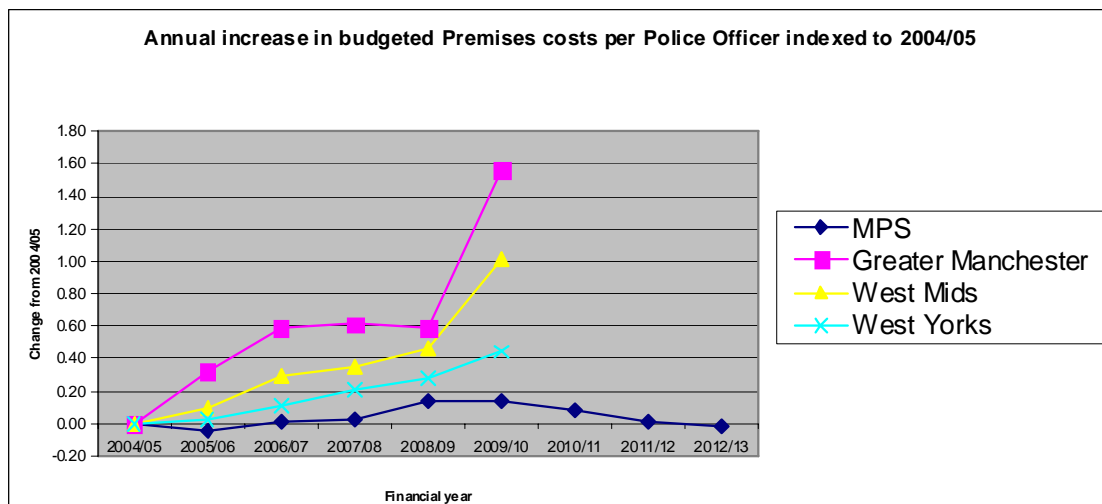
i. Premises costs



The 2009/10 MPS budgeted cost of premises as a percentage of staff costs were 3% higher than the average of the MSF group.

The 2009/10 MPS budgeted cost of premises per PO were:

- 40.4% higher than Greater Manchester Police (the 2nd highest premises costs of MSF)
- 2.3 times the average premises costs per PO of the MSF (excluding MPS)



Although higher in absolute terms, budgeted MPS premises costs per PO have risen at a slower rate than those for MSF. Between 2004/05 and 2009/10:

- The budgeted premises costs per PO of the MPS increased by 15%
- The average budgeted premises costs per PO of MSF (excluding MPS) increased by 25%.

The MPS data has been extended to 2012/13 to demonstrate how growth and savings in Premises expenditure and police officer FTEs will affect gross expenditure per police officer as a result of Service Improvement projects and other efficiency initiatives. Future gross budgeted expenditure for Premises, indexed back to 2004/05, reduces over the next three years and in year three, matches 2004/05 expenditure. This demonstrates that the MPS is making savings in Premises costs and providing value for money.

The MPS operates from a significant number of sites in and around London and whilst the costs of premises in London are significantly higher than elsewhere in the country, the Office of Government Commerce (OGC) data indicates that the MPS is at the lower end of property costs in London, revealing that the MPS strives for VFM in the management of its estates requirements.

The MPS leases a number of properties, for which 2009/10 budgeted expenditure totals £50m. Leasing arrangements / rental payments for MSF would be significantly lower than those borne by the MPS, as property costs are considerably higher in London. Also within London the opportunity to purchase is more limited. Therefore the MPS has high revenue costs compared to other forces. These additional rental costs are slightly offset by lower capital financing costs of those properties that are bought; indeed the MPS has the lowest capital financing costs of the MSF group.

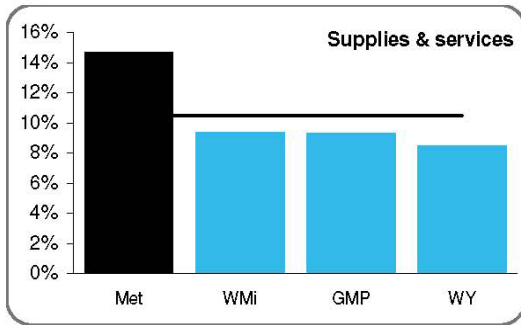
There are a number of other reasons that could explain why the MPS premises as a percentage of staff costs are significantly higher than MSF:

- MPS and London issues – It is difficult with current data and shared occupancy of buildings to split out the property costs relevant to National, International and Capital City (NICC) and Counter Terrorism. An exercise to identify NICC costs throughout the organisation was completed this year. It identified that gross NICC expenditure represented 17.86% of *gross expenditure* of the MPS. This figure was a prudent value, given that direct NICC activity costs and apportioned corporate overheads were not allocated to cost centres where NICC activity was less than 25% of overall activity. Analysis of NICC costs relating directly to premises has yet not been completed but it is assumed that expenditure is consistent and NICC premises costs represent 17.86% of the MPS *gross* premises costs, which goes some way to explaining the MPS's higher than average expenditure in this area. Also, OGC data puts overall London property costs per square metre at about twice the rate of costs in the rest of the UK.
- Estate type and purpose – The different mix of operational buildings in force will influence costs, e.g., firearms training facilities and other training facilities, helicopter bases, residential estate, etc.
- A higher proportion of buildings open 24 hours a day will have an impact on running costs – a 2007 Telegraph survey⁹ of police forces showed that the MPS

⁹ The Telegraph – “One police station in eight is open all hours” – Jan 2007

had approximately 55% of police stations open 24 hours per day compared to a national average of 13%. Also the cost of built in security for MPS buildings is likely to be much higher in London, in particular for operational buildings such as firearms training facilities.

Supplies & Services Costs

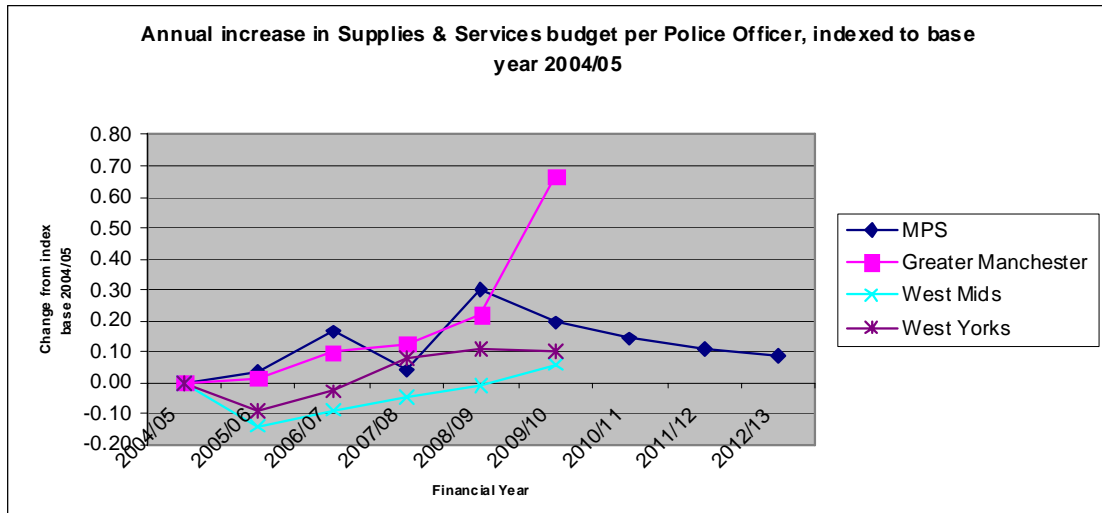


Based on the HMIC VFM profile, MPS supplies and services costs as a percentage of staff costs are 5% higher than MSF. However, based on the CIPFA statistics, the 2009/10 budgeted supplies and services costs per police officer in the MPS decreased by approximately

16.38% from the previous year, yet budgeted cost per police officer remained higher than for any other of the MSF.

Using the CIPFA statistics, the 2009/10 MPS budgeted cost of supplies and services per police officer were:

- 92.26% higher than those of the force with the 2nd highest supplies and services costs per PO (Greater Manchester)
- Twice the average supplies and services costs per PO of all MSF (excluding MPS).



The MPS data has been extended to 2012/13 to demonstrate how growth and savings in Supplies and Services expenditure and police officer FTEs will affect gross expenditure per police officer as a result of Service Improvement projects and other efficiency initiatives. Future gross budgeted expenditure for Supplies and Services, indexed back to 2004/05, reduces over the next three years and in year threes. This demonstrates that the MPS is making savings in Supplies and Services costs and providing value for money.

Supplies and services costs are not directly comparable between forces for a number of reasons:

- The MPS contracts out a number of services that are delivered in-house by other forces. For example, the Information, Communications and Technology (ICT) service provided by CapGemini (budgeted at £71m for 09/10) for MPS may be provided in-house in other forces and would therefore be classed as employee expenditure outside of the MPS.
- MPS and London issues – costs of supplies and services are generally higher in London than outside of London as highlighted in the Lyons Review.¹⁰ Organisations moving out of London can make savings of 20-30%. Extensive NICC functions, which represent 17.86% of gross MPS expenditure add to supplies and services costs.
- The Association of Train Operating Companies (ATOC) costs are unique to the MPS, which increase supplies and services expenditure by £16.4m for the direct cost of providing free travel for police officers and increase 'other employee expenditure' by £5.5m for the tax benefit charge, which is borne by the MPS on behalf of employees for providing free travel. Whilst the provision of free travel for police officers is a local choice, which has increased MPS expenditure, it is a necessary cost to recruit and retain police officers due to the significant expense associated with travel in and around London. This is effectively on a par with London Weighting.

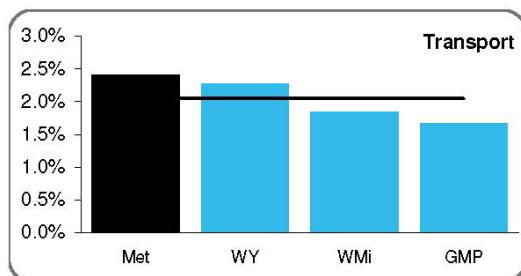
The MPS is endeavouring to achieve VFM in Supplies and Services by negotiating more efficient contract terms based on volume, it has introduced a more efficient procurement process (Purchase to Pay) and has improved Corporate Governance, all of which is already producing benefits, evidenced by a reduction in supplies and services budgeted costs this year, compared with last. Work under way also includes:

¹⁰ Lyons Review – Independent Review of Public Sector Relocation, 2004

- The DRM Programme, which aims to improve business processes by introducing effective governance and control, maximising cashable efficiencies by more efficient and streamlined processes;
- The DRM 2 Programme has identified four new work streams to be developed, including the improvement of the MPS' use of Finance systems; the continuation of Finance and Resources modernisation; improvement of contract and compliance management within Procurement; and a Corporate Real Estate project;
- The SIP Property Services and Property Estates Usage projects, which are reviewing Property Services' delivery model to ensure that the service is cost effective, fit for purpose and adds value to the organisation. The review seeks to realign the delivery of Property Services on a commercial basis and dispose of surplus space, providing savings of £27.6m by 2012/13;
- The SIP training project, which will challenge certain areas of training with the view to improve the efficiency of Learning and Development within the MPS and obtain target savings of £3.7m by 2012/13; and
- The SIP catering project will provide investment in the catering estate as well as rationalise the number of catering operations currently held to produce efficiency savings of £3.4m by 2012/13 and drive the improvement in patronage.

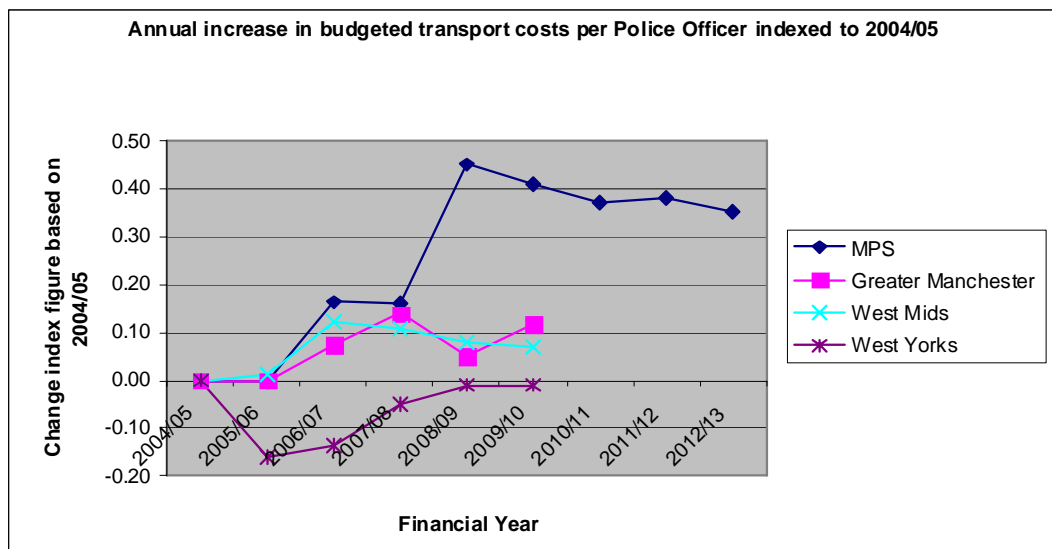
Indeed, VFM is being achieved through the above initiatives, with MPS 2009/10 budgeted supplies and services costs having decreased by 7% from the previous year. Analysis of the key factors driving costs in supplies and services and the extent to which there is scope for costs to be driven down in these areas will continue and is expected to inform the business planning process for 2010/11 and beyond.

ii. Transport Costs



As a percentage of staff costs, the MPS's transport costs do not deviate significantly from the average of the MSF group, however in monetary terms, they are £10.2m in excess of the average. When analysing 2009/10 gross budgeted cost of transport per PO, the MPS budget is:

- 2.4% lower than the transport budget per PO in the previous year
- 19.4% higher than West Yorkshire (the 2nd highest transport costs of a MSF)
- 26% higher than the average transport costs per PO of other MSF (excluding MPS)



There are a number of possible reasons for cost differences between forces:

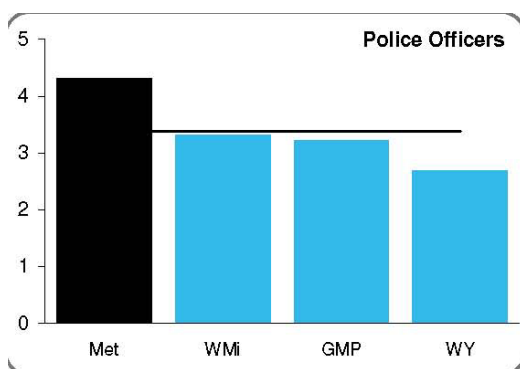
- Comparable data – The data provided to CIPFA may not be directly comparable between forces. When data is collected for CIPFA statistics, the assumptions made by different forces are not reflected in published figures. Transport Services engage with the National Association of Police Fleet Managers to carry out benchmarking, but highlight that differences in definitions exist even within this group. There is no onus on forces to define areas in the same way (for example, the definitions of vehicle downtime vary between forces). Some costs are more explicit in the MPS as we have outsourced fleet maintenance which provided greater visibility of cost drivers, unlike other forces whose costs are hidden within other business areas i.e. cost of property, finance, security.
- MPS and London issues – Vehicle costs for NICC functions including Protection (SO1, DPG, Royalty, Palace of Westminster) and Counter Terrorism are difficult to identify making comparisons between forces difficult;
- there are more extensive Public Order demands in London;

- the Olympics, National and International casualty coordination costs are incurred, which are unique to the MPS;
- the MPS also takes an informal role in research and development of vehicles which incurs costs;
- driving conditions in London, e.g., traffic calming, may add to repair and maintenance costs;
- Vehicle types, numbers, equipment and fuel – there are likely to be a range of reasons for differences between forces, e.g., differences in the scale of Public Order support, and therefore the kinds of vehicles and equipment used;
- Repairs and maintenance – vehicle choice and use affects repairs and maintenance costs. Costs also need to be set against service level and availability of vehicles across forces. The MPS demands very high availability rates. Also in conjunction with longer opening hours and more staff, vehicle usage is higher in the MPS.

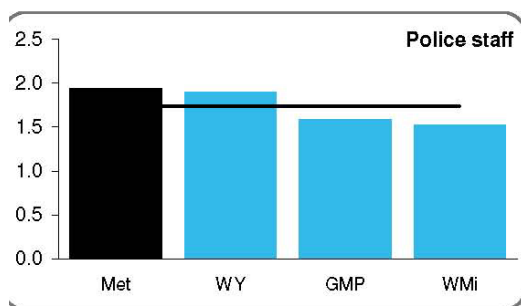
Transport Services has made, and continues to make, savings through contract management, for example:

- Vehicle purchase and hire rates lower than that of national and OGC rates;
- Efficient equipping of vehicles;
- At least 65% of the MPS vehicle fleet uses diesel, delivering lower operating costs;
- A repair and maintenance contract delivering improved vehicle availability and a contracted hourly rate for vehicle repairs well below comparable London rates (e.g., £56.20 per hour compared to a London rate of £127 per hour).
- The SIP Transport Services project aims to make improvements across a number of areas including vehicle replacement (procurement), current transport support contracts and allocation and ownership of vehicle fleet. This project will deliver efficiency savings of £1.9m by 2012/13.

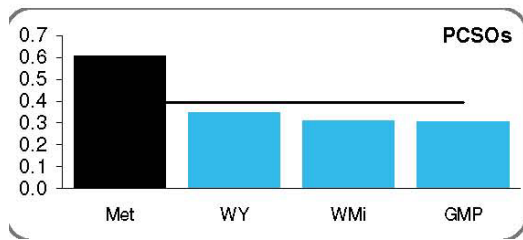
7. Staffing



There are 4.32 MPS police officer full time equivalents (FTEs) per 1000 of population, whereas the average of the MSF is 3.38. Whilst the MPS is higher than the MSF average, the MPS manages the policing not only of its resident population but also of tourists and commuters, who are often victims of crime. Taking into consideration a population, which includes commuters and tourists, the MPS provides 3.7 FTEs per 1000 of population. The MPS also has a greater NICC responsibility, compared with MSF. The MPS manages its police officer workforce efficiently, which is exemplified by the successful implementation of the C3i I.T. system, which has modernised communication systems, officer deployment, call handling and improved knowledge and information bases. The C3i communication system will ensure that more Officers are released to front-line duties and will deliver savings to the MPS of over £5m annually. Further police officer productivity gains have been achieved by more effective control of police overtime (2008/09 outturn position against budget improved by £11m compared with 2007/08).



The MPS has 1.95 police staff FTEs per 1000 of population, whereas the average of the MSF is 1.74. MPS police staff however, constitute the lowest percentage of total FTEs compared with MSF, which evidences the efficiency of MPS police staff. Taking into consideration a population, which includes commuters and tourists, the MPS provides 1.7 FTEs per 1000 of population - 0.4 FTEs less than the MSF average. Progress in increasing efficiency and reducing non-operational staff is continuing with the development of the Transforming HR programme, which will be fully implemented by the end of 2009 and is designed to deliver a more business-focused HR service to key areas and in doing so achieve cash-releasing efficiency savings of £15m per annum, with the savings being able to fund growth in front-line policing.



There are 0.61 MPS PCSO FTEs per 1000 of population, whereas the average of the MSF group is 0.39. This figure is higher than the MSF average firstly due to the roll out of the Safer Neighbourhoods scheme earlier than MSF and secondly, once again due to the disputed population base data, where the MPS's policing remit extends further than that of London's resident population alone, upon which this comparison is based. Using the adjusted population figure of 8.7m for comparison, the MPS provides 0.5 FTEs per 1000 of population.

Staffing trends show that the recruitment of police and police staff has grown at a steady rate over the past five years. MPS police staff levels have increased by just 4% over the past five years, compared to an average increase of 16% in MSF, reiterating the MPS's commitment to efficient use of human resources.

As a percentage of total FTEs, the MPS has 0.5% more Inspectors; 2.6% more Sergeants; and 2% more PCSOs than MSF. This is contrasted by the MPS having 5.3% less Constables as a percentage of total FTEs. The mix of ranks within the MPS differs to those of the MSF due to the complexities of policing London, which necessitate the recruitment of higher ranked Officers with more experience.

The MPS has higher than average staffing per 1000 of the population for Community Policing; Investigation; Intelligence; Forensics; Operational Support; Control Room; Criminal Justice; and Training, which again, can be partly explained by the contention of the population data, on which this analysis is based upon.

Staffing on Local Policing has reduced over the past three years by 1%, compared with the MSF average increase in staffing of Local Policing by 8%; the complexities of the MPS has required it to specialise, which is shown by higher than average levels of staff in Specialist and Investigation functions, according to POA data and indeed, MPS police officer numbers as a whole have increased by 9% (average MSF increase of 11%). Under Local Policing, the staffing of Roads Policing has reduced by 37% since March 2006. A service level agreement has been in place with Transport for London (TFL) since 2002, which has enabled joint working initiatives in Roads

Policing and a centralised transport unit was created within the MPS. This shift of responsibility, from Local Policing to a Central Operations, has impacted upon the staffing of Local Policing. Both Intelligence and Criminal Justice functions, which for the purpose of the VFM profile are included in Local Policing, have also been centralised in the MPS, which explains the reduction of staff in both these areas of Local Policing by 15 and 10% respectively.

MPS Specialist Functions FTEs per 1000 of the population total 0.16, which is 0.2 FTEs lower than the average of the MSF group. This is not congruent with the POA analysis, which shows that the MPS, whilst low on human resourcing of Local Policing, has a higher than average number of FTEs in Specialist Functions compared with MSF. POA analysis shows Specialist Functions FTEs forming 5% of total workforce FTEs, compared with 4.4% for MSF. The VFM breakdown of categories for both Specialist Functions and Investigation are not consistent with the CIPFA approved POA level two headings. It is therefore difficult to reconcile variances. Greater clarity on how the VFM figures have been derived needs to be provided. It is assumed that the VFM analysis of Specialist Functions and Investigation exclude the functions of PCSOs and police staff within these units, which also affects the ability to compare the VFM profile with POA data.

MPS sickness of police officers is below the MSF average and indeed the lowest of the MSF group at 1.5% of the total police force. Police staff however, suffer the highest level of sickness among the MSF group at 2.2% of all police staff, compared with an MSF average of 1.8%.

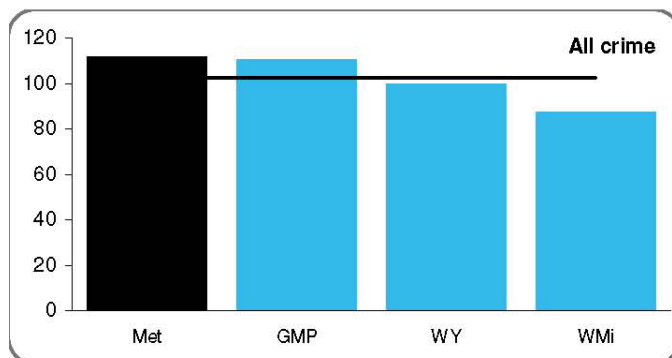
The MPS suffers the highest levels of long-term absence in both police officers and staff, with 4.3% of police officers and 6.6% of police staff being away on long-term absence, compared with an MSF average of 2.9% and 3.5% respectively.

Given that the MPS compares favourably with MSF for short-term sickness and unfavourably for long-term absence among police officers, the accuracy of the distinction between short-term sickness absence and long-term absence should be addressed with HMIC. However, of more importance are the sub-categories of long-term absence. It would be misleading to assume all long-term absence have negative connotations. Many of the categories e.g. Career Break, Maternity/Paternity leave and Special Leave reflect positively on an organisation. Unfortunately the breakdown of the analysis for other members of the MSF group is not available in the VFM profile. The table below is a breakdown of sickness records for both police officers and over the last quarter of 2008/09 to exemplify how the individual categories of long-term absence contribute to the overall number of FTEs on long-term absence during that period.

long term absence	Police Officers	% of Available Officers	Police Staff	% of Available Officers
Career Break	284.09	0.90%	283.56	1.52%
Compassionate Leave	0.00	0%	0.00	0%
Maternity/Paternity Leave	204.95	0.65%	235.83	1.26%
Special Leave	21.00	0.07%	23.90	0.13%
Study Leave	0.00	0%	0.00	0%
Suspended	21.00	0.07%	24.44	0.13%
Cert. Sick - Assault	8.00	0.03%	0.00	0%
Cert. Sick - Non Assault	427.68	1.35%	301.98	1.61%
Uncert. Sick - Assault	5.00	0.02%	1.00	0.01%
Uncert. Sick - Non Assault	378.19	1.20%	358.12	1.91%
	1,349.91	4.29%	1,228.83	6.57%

8.

8. Offences and Satisfaction



Crime is highest in London with 111.8 crimes being committed per 1000 of the population, compared with an MSF average of 102.3. The MPS also deals with more emergency calls than MSF, with 289 calls being received per 1000 of the population in 2008/09, compared with an MSF average of 236. Crime per 1000 of the population is assumed to be higher in London due to a transient population that is higher than its resident population, including an immigrant population, whose residence is unknown; significant numbers of tourists, who are often victims of crime; and commuters - all of whom significantly increase London's population and propensity to high levels of crime. Using the adjusted London population figure of 8.7m however, total recorded offences are reduced to 96.8 offences per 1000 of the population, which is below the MSF average.

The MPS has an overall detection rate of all offences of 26%, 1% below the MSF average. Despite having a lower than average detection rate of offences, the MPS has the highest percentage increase in detection rates of the MSF group, achieving an 8% increase, compared with an MSF average of 3%.

There has been an overall reduction of recorded offences in London of 14% from 2005/06 to 2008/09, which has been achieved through successful joint working initiatives with local authorities and Transport for London. Whilst this reduction is 2% less than the MSF average, feedback from the MPS's partners indicate that the joint working initiatives provide value for money, are proven to be successful and as a result, will continue in the future, with an aim to reduce recorded offences further.

The MPS has successfully invested in corporate priorities and has demonstrated that financial plans are responsive to change. Notable outcomes in year include:

- Operation Blunt 2, which has led to a 13% reduction in knife crime between 2007/08 and 2008/09;
- Operation Tyrol, a priority for the new Mayor, which saw £8m invested to increase police presence at key transport hubs;
- joint funding of additional policing on boroughs which has led to a 16% decrease in anti-social behaviour and crime in the boroughs so far piloted

Changes in 'All other offences' has reduced the least of all three types of crime over the past three years, with a reduction of 3%, compared with an MSF average of 17%. This reduction has been affected by a dramatic increase in drug offences by 78% from 2005/06 to 2008/09. Despite an increase in drugs offences, there has been a 2% increase in its successful detection from 2005/06 to 2008/09, which is above the average MSF change of 0% over the same time period. Current critical performance analysis of class A drugs trafficking shows that the MPS is achieving an 'amber' status against its performance indicator of detecting more class A drugs trafficking offences, with the target being set at a detection rate of 210 offences per month and actuals from April to November 2009 showing a detection rate of 205 offences per month.

Overall, crime statistics are at a ten year low, indicating that resource allocation to priority areas has achieved results. Satisfaction rates compare favourably against the MSF average, with 49.3% of the public agreeing that police and local councils are dealing with anti-social behaviour and crime issues that matter in their area. However, victims of crime's satisfaction with MPS's

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Appendix 1

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handling of violent crime and burglary as well as the satisfaction gap between white and minority ethnic victims are lower than the MSF average and remain a key area of management focus. A Victim and Witness Working Group Action plan has been implemented, which focuses on both understanding the victim experience more completely and on providing increased practical support for victims/ witnesses.