



Implementing the Transformation of Police Learning and Development Working Group

Report on Initial Financial Analysis

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Introduction

This analysis has been carried out as part of the programme of action research about implementing the transformation of police learning and development, which is a programme led by the London Mayor's Office for Policing and Crime (MOPAC) with The Open University, based on Home Office funding from the Police Transformation Fund. The aim of the work is to undertake research which can be used to enhance the training, learning and development functions of English and Welsh police forces to enable them to be prepared for the new demands on policing outlined in Policing Vision 2025, and in line with the Workforce Transformation initiative.

The research team is conducting baseline analysis to help assess changes over time. A baseline survey of L and D practices and attitudes has already been published (see link <http://centre-for-policing.open.ac.uk/taxonomy/term/265/implementing-transformation-police-learning-and-development-baseline-survey-report>). This is the financial baseline. A financial baseline can establish what is known about spending on training, learning and development and where any gaps are. A later financial analysis can establish how far changes have occurred. It is valuable to establish a financial baseline given that all police forces are under financial pressure, so that any recommendations are realistic and grounded in financial understandings about costs and value for outcomes.

This paper is a summary of my findings about police forces' spending on training based on existing published information. The best source I could find is the Police Objective Analysis data which is collected and published by CIPFA annually. As explained in the

paper this source of information gives a broad-brush overview but there is not as much detail as we would like for the programme.

Other sources of financial information or analysis proved difficult to find.

Findings from Police Objective Analysis

From around 2003 until 2008 all police forces carried out detailed analysis of L and D spending. This practice ended after a report by Sir Ronnie Flanagan which said too much time was taken to produce information that was not being used as the basis of decision-making. Therefore, since 2008 police forces have produced a simpler set of information referred to as the police objective analysis (POA). At first the POA was prepared on both budgets and actual expenditure. That stopped after a few years and now the POA is only available for budgets. It has been developed, though, so now there are many more lines of data in the spreadsheet.

I have obtained the POA information for the seven financial years from 2011/12 to 2017/18. As far as training costs and income is concerned the POA simply has totals for the whole force. This means, as shown below, that it is possible to compare forces on the basis of total amounts budgeted for spending on training and some force-wide unit costs. There is some detail about the spending and income in terms of employee costs, premises, etc but there is not, however, any detail to separate training into types of training.

Spending on training

The POA show that budgeted gross expenditure by police forces in England and Wales was £13.4bn in 2011/12 and it had fallen by 2.7% to £13.0bn by 2017/18. The real terms decrease (using the GDP Deflator as the measure of inflation) was 11.9%. Over the same 7-year period budgeted gross expenditure on training went from £288.3m to £241.6m (a fall of 16.2%, equivalent to 24% in real terms).

As a proportion of police expenditure, on average a force budgeted to spend 2.38% of its budget on training in 2011/12 and 1.98% in 2017/18. The averages disguise quite a range of budgeted spending. In 2017/18 the highest proportion is 3.83% and the lowest is 0.75%. See chart 1 in the appendix.

The average change over the seven years has been a reduction of 0.4 percentage points from 2.38% to 1.98%. Again, there is a wide range of differences between forces. One force in the south has changed from 6.41% to 2.88% (the 6.41% seems to be an outlier or historical quirk because in all other years the same force was under 3%. Removing that force from the calculation means the average fall would have been

0.33 percentage points. Only one other force falls by more than 1 percentage point over that period, falling 1.54 points from 2.76% to 1.22%.

Comparing the change of spending as a force with the change of spending on training shows that 33 of the 43 forces have reduced their spending in real terms by a greater percentage than their overall reduction in spending. The 10 forces where this is not the case are spread across the country.

Unit costs

As mentioned above the HMICFRS value for money profiles use training spending per capita and per FTE as benchmarks. It seems to me that training spending per police officer might be a better proxy measure, since police officers receive the bulk of the training provision. The POA shows the average budgeted spending per police officer was £2,344 in 2011/12 and £2,152 in 2017/18. This is a nominal fall of 8.2% and the real terms change is a fall of 16.8%.

The 2017/18 figures again show a wide range from £5,283 to £900. The table below shows the training cost per officer for each force in 2012/13 (used instead of 2011/12 because of the very high amount for one force) and for 2017/18. The changes in ranking shows that there is no obvious pattern to explain the changes.

Table 1: Changes in training expenditure per police officer

Rank		2012/13	2017/18	New rank
1	Force A	3,187	3,099	3
2	Force B	2,962	2,345	16
3	Force C	2,757	2,066	22
4	Force D	2,699	2,688	7
5	Force E	2,634	5,283	1
6	Force F	2,633	2,470	12
7	Force G	2,561	2,358	15
8	Force H	2,478	1,763	33
9	Force I	2,405	2,646	9
10	Force J	2,350	2,655	8
11	Force K	2,290	2,093	21
12	Force L	2,269	2,627	10
13	Force M	2,232	2,040	24
14	Force N	2,197	2,101	20
15	Force O	2,190	2,570	11
16	Force P	2,188	2,248	17
17	Force Q	2,187	2,693	5
18	Force R	2,168	2,433	13
19	Force S	2,146	2,779	4
20	Force T	2,131	1,952	25
21	Force U	2,128	2,691	6
22	Force V	2,125	1,597	35
23	Force W	2,047	1,926	28
24	Force X	2,007	1,938	26
25	Force Y	2,000	3,325	2
26	Force Z	1,908	1,596	36
27	Force AA	1,798	1,282	40
28	Force AB	1,739	2,414	14
29	Force AC	1,727	1,693	34
30	Force AD	1,700	2,150	19
31	Force AE	1,618	1,822	31
32	Force AF	1,602	1,865	29
33	Force AG	1,566	1,228	41
34	Force AH	1,449	1,334	39
35	Force AI	1,446	1,931	27
36	Force AJ	1,433	2,043	23
37	Force AK	1,399	2,179	18
38	Force AL	1,280	1,854	30
39	Force AM	1,257	1,549	37
40	Force AN	1,196	1,419	38
41	Force AO	1,001	1,764	32
42	Force AP	919	900	43
43	Force AQ	836	1,142	42

Make-up of training units

The POA has a limited amount of information about the composition of the budgets for training. Employee costs are separated between police officers, PCSOs and other staff.

There is a line for premises costs which is zero for every force. This reflects, I suspect, the fact the police forces are not required to allocate support costs to 'frontline' services and therefore there is no internal system of charging for the use of buildings.

Some forces report spending on transport and supplies and services but not all. This could be for a similar reason as premises, that there are no internal accounting systems to allocate transport and supplies expenditure to every business unit.

Forces are requested to show any expenditure they incur on training which is part of a collaboration with other police forces or collaboration with other partners. In terms of the former, the spending that is budgeted for 2017/18 for collaborations with other forces was £6.14m but the income reported from the same collaborations was £3.29m. Clearly there is a mismatch, quite possibly because income from collaborations is shown by some forces in other rows of the POA, but it meant that the net expenditure rows for training could not be trusted and that is one reason why the above analysis has been based on gross expenditure budgets.

One measure that can be compared between the forces is the percentage of employees working in training who are police officers. On average, this has not changed much over the seven years. The average police force had police officers as 55% of its training employees in 2011/12 and it was 54% in 2017/18 with no wide variation in between. There is a fair degree of variety between forces, however, as shown in chart 2.

The lowest percentage is 5% and only four others have a proportion below 35% (at 9%, 23%, 24% and 29%). At the other end of the scale, one force reports 100%, another 91% and another 90%.

Other existing financial information on police training

I sought financial information about police training from a number of sources. Contact with HMICFRS pointed me to the value for money indicators that they publish on their website (<https://www.justiceinspectorates.gov.uk/hmicfrs/data/value-for-money-data/>). This is actually a summary of the POA and has less information about training expenditure than the full POA.

HMICFRS create VFM profiles for each force from the POA data which includes comparisons for each force with its 'most similar' forces (these are not symmetrical groupings: force A might have force B in its group but that does not mean that force A will be in force B's group). Spending on training per population and per FTE are included in the VFM profiles. A random example of a VFM profile can be found [here](#).

I tried the College of Policing but their archive of reports has nothing on training expenditure.

In terms of academic writing on the subject I contacted a couple of academics who were unable to identify any relevant papers or identify any academic they thought had done some work on this subject. My searching of academic databases turned up nothing directly about the costs of training in UK policing. I found one paper, Hayes (2002) which was about costing of police training in Canada. In practice this paper sets out how a traditional absorption costing approach would be applied to police training divisions and did not contain any estimated costs.

Next steps

The work so far has allowed us to get an overview of the amounts spent by police forces on training over the last seven financial years, and also get some sense of the balance of staffing who work in training sections. Given the focus of the programme there is a need to understand the baseline costs of the current methods of training so that a comparison can be made subsequently with the transformed approach. This will require carrying out some in-depth work with a sample of police forces, involving their finance team as well as the training team.

As the programme already intends to carry out a deep dive with a small number of forces it would be sensible to focus the detailed financial analysis on those same forces. This has the advantage that the training team in those forces would already have a commitment to the programme's work. It would require those training teams, probably, to carry out a bit more work in terms of providing data and perhaps attending meetings or workshops. It would also require the finance teams in those forces to engage with the project but, on the assumption that the senior management

of those forces approve of their involvement in the deep dive work, that should not be a major obstacle.

If the working group agree that this is a sensible way forward, for me the first step would be to integrate the financial requirements into the plans for the deep dive work. As far as possible I would like to use the data being collected for the rest of the programme in order to minimise the demands on the forces.

Reference

Hayes, C (2002). Reviewing the Cost of Police Training: A Cost Analysis Model. *The Police Journal* (75)

Appendix

Chart 1: Training expenditure as proportion of force gross expenditure 2017/18

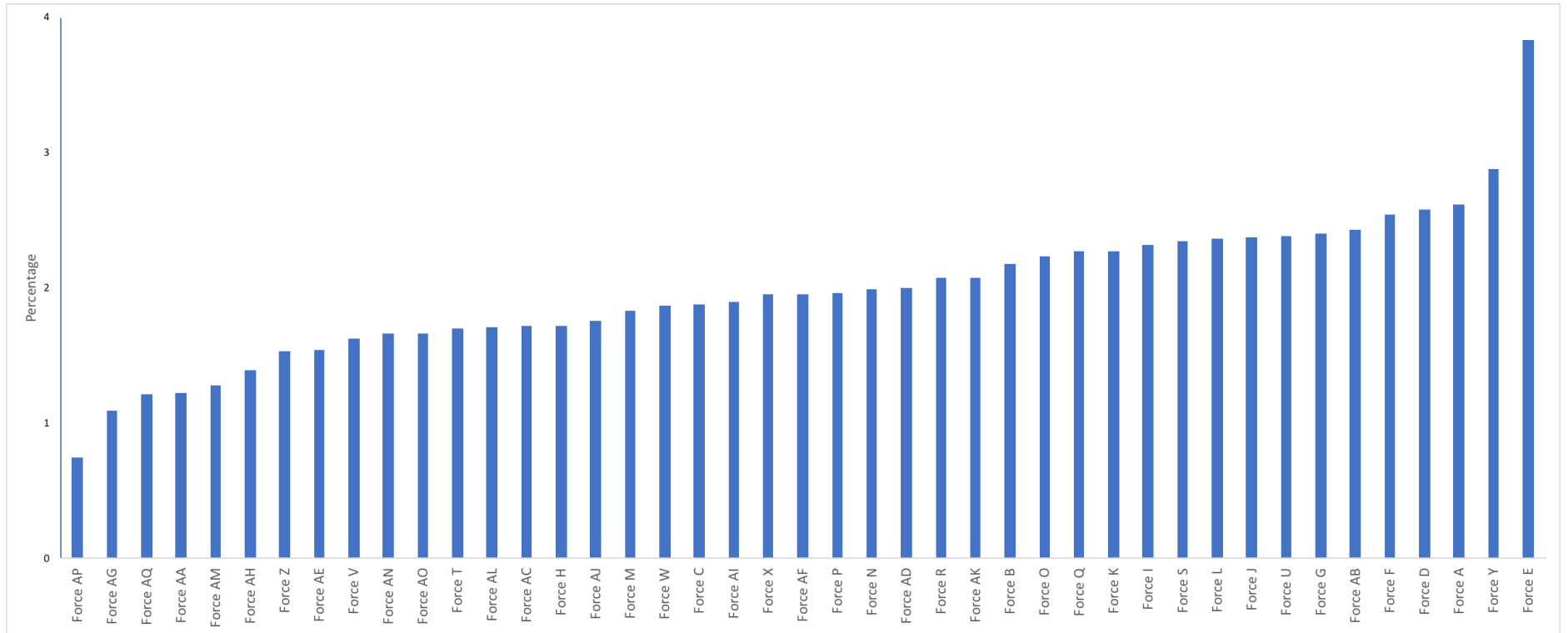


Chart 2: Proportion of employees in training who are police officers in 2017/18

