

## Summary: Intervention & Options

<b>Department /Agency:</b> <b>Home Office</b>	<b>Title:</b> <b>Impact Assessment of Police Green Paper: Police decision-making</b>	
<b>Stage:</b>	<b>Version:</b> 1.0	<b>Date:</b> 15 May 2008
<b>Related Publications:</b>		

Available to view or download at:

<http://www.>

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### What is the problem under consideration? Why is government intervention necessary?

The Flanagan Review highlighted that decision-making in policing was increasingly complex because of the emergence of competing objectives, new demands and changing circumstances.

In almost any area of policing, a situation exists where a complex array of national and local decision-making has emerged over time as a pragmatic response to changing need, as and when required. This confusing model is less than ideal and, in the most serious cases, has led to systemic under-achievement (such as in police IT).

### What are the policy objectives and the intended effects?

1. To develop a decision-making model, based on clear principles, to determine which decisions should be taken at national, regional, or local levels.
  2. To encourage the centre to adopt a more strategic, outcome focus, but to identify the small number of issues where mandation or standards may be required.
  3. To strengthen the role of the National Policing Board (NPB) in shaping in decisions.
- The expected benefits will be more effective decision-making, greater flexibility to the frontline at the local level, and improved cost-effectiveness for those issues addressed more centrally.

### What policy options have been considered? Please justify any preferred option.

Option 1: Do nothing.

Option 2: Develop a decision-making model.

Option 2 is the preferred approach. Consideration, thus far, has largely focused on whether to develop a decision-making model and its underlying principles, rather than specifying a range of detailed policy options. The final shape of the model and application of its principles, which may include a range of approaches, will be based on responses to this consultation, ongoing engagement with members of the tripartite on their refinement, and further discussions with stakeholders on the emerging proposals.

### When will the policy be reviewed to establish the actual costs and benefits and the achievement of the desired effects?

The model will make provision for an ongoing review process via the NPB. When the model is applied in practice, relevant impact assessments will be carried out.

### **Ministerial Sign-off** For consultation stage Impact Assessments:

*I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.*

Signed by the responsible Minister:

..... Date:

## Summary: Analysis & Evidence

<b>Policy Option:</b> Decision-making model	<b>Description:</b> Development of a decision-making model, based on clear principles, to determine the appropriate level of police decisions and functions
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<b>COSTS</b>	<b>ANNUAL COSTS</b>		Description and scale of <b>key monetised costs</b> by 'main affected groups' The estimated cost of the team required to apply the principles of the decision-making model (if externally contracted). The cost will fall to the Home Office.
	One-off (Transition)	Yrs	
	£ 150,000	1	
	Average Annual Cost (excluding one-off)		
	£ 0		<b>Total Cost (PV)</b> £ 150,000
Other <b>key non-monetised costs</b> by 'main affected groups' Small additional costs may be incurred by NPB members in discussing the model's development. The model's application will result in additional direct costs because (de)centralisation will require changes to business processes. These direct costs are unknown and will depend on how the model is applied.			

<b>BENEFITS</b>	<b>ANNUAL BENEFITS</b>		Description and scale of <b>key monetised benefits</b> by 'main affected groups' n/a
	One-off	Yrs	
	£ 0		
	Average Annual Benefit (excluding one-off)		
	£ 0		<b>Total Benefit (PV)</b> £
Other <b>key non-monetised benefits</b> by 'main affected groups' The model will help develop a shared understanding between the HO, ACPO and APA on the appropriate level of decision-making, and clarify their roles/responsibilities. The model's application, and any resulting (de)centralisation, is intended to deliver improvements in effectiveness, efficiency, and/or quality			

**Key Assumptions/Sensitivities/Risks** A shift in decision-making level, as a result of the model's application, should only be carried out where there is strong evidence it will result in improved cost-effectiveness.

Price Base Year 0	Time Period Years n/a	<b>Net Benefit Range (NPV)</b> £	<b>NET BENEFIT (NPV Best estimate)</b> £ -150,000
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What is the geographic coverage of the policy/option?	England & Wales			
On what date will the policy be implemented?	2008			
Which organisation(s) will enforce the policy?	N/A			
What is the total annual cost of enforcement for these organisations?	£ 0			
Does enforcement comply with Hampton principles?	Yes			
Will implementation go beyond minimum EU requirements?	N/A			
What is the value of the proposed offsetting measure per year?	£ 0			
What is the value of changes in greenhouse gas emissions?	£ 0			
Will the proposal have a significant impact on competition?	No			
Annual cost (£-£) per organisation (excluding one-off)	Micro 0	Small 0	Medium 0	Large 0
Are any of these organisations exempt?	Yes/No	Yes/No	N/A	N/A

<b>Impact on Admin Burdens Baseline</b> (2005 Prices)		(Increase - Decrease)
Increase of £ 0	Decrease of £ 0	<b>Net Impact</b> £ 0

Key: Annual costs and benefits: Constant Prices (Net) Present Value

## Evidence Base (for summary sheets)

[Use this space (with a recommended maximum of 30 pages) to set out the evidence, analysis and detailed narrative from which you have generated your policy options or proposal. Ensure that the information is organised in such a way as to explain clearly the summary information on the preceding pages of this form.]

### **The problem**

The Flanagan Review highlighted that decision-making in policing was an increasingly complex process because of the emergence of competing objectives, new demands and changing circumstances. Flanagan advocated the development of a clearer understanding of how decisions were best made, taking into account threats, harms and risks. To mitigate them, Flanagan recommended the Home Office take a more strategic approach and concentrate its efforts on setting a national framework, and clarifying the roles and responsibilities of the central bodies in policing.

In almost any area of policing, a situation exists where there is a complex array of national and local decision-making processes. These pragmatic arrangements have emerged over time, rather than through planning, in response to need as and when it has arisen. The pragmatic model is less than ideal and, in the most serious cases, has led to systemic under-achievement (such as in police IT).

### **The policy objectives**

1. To develop an 'decision-making model', based on clear principles, to help determine which decisions and actions should be taken at a national, regional, or local level.
2. To encourage the centre to adopt a more strategic, outcome focus, but to identify the small number of critical issues where central mandation may be required.
3. To strengthen the role of the National Policing Board (NPB) in future decision-making. The NPB is a regular forum for joint debate and three-way communication between the tripartite partners on the opportunities and challenges facing policing.

### **Intended effects**

An important distinction is made between the development of the new decision-making model, and its application:

1. The development of an decision-making model is expected to have two main effects.
  - To provide a framework to which decisions/actions should be carried out at each level, and when central mandation may be appropriate.
  - To encourage the centre to play a more strategic, enabling role and to deal only with those issues that cannot be dealt with more effectively at a local level. The centre would only take action where more local action would be ineffective.
2. The application of an decision-making model is likely to result in some decisions/actions being taken at a different level where there is evidence it will lead to improved cost-effectiveness. The Home Secretary is committed to central mandation where there is a strong case for doing so.

This impact assessment deals only with the specific costs/benefits that result from the model's development. It only highlights the nature of the possible costs/benefits that may result from the model's application. This is because the model has yet to be specified, and the wide range of issues to which the model could be applied. All relevant impact assessments (including those relating to equality and diversity), which should be embedded in the model, must be completed before any practical changes are made to the level of police decision-making.

## **The evidence on the problem**

1. Joint guidance has been issued by the Home Office and ACPO on the appropriate level of decision-making within forces.<sup>1</sup> The guidance was, in part, intended to address:
  - the high degree of variation across the service in terms of those decisions had been delegated within forces to BCU level; and
  - negative experiences in some forces.

The decision-making model is intended to deal with similar issues but on a service-wide basis.

2. There is an emerging consensus among senior police practitioners that some activities should be carried out on a more strategic basis. ACPO acknowledges that operational activity at the local level, in its own, will not be effective at delivering the entire police mission.<sup>2</sup> They argue the service must be capable of tasking and co-ordinating activity from the national to the local. Counter-terrorism and serious organised crime are cited as particular examples where some regional and national activity is required to deliver an effective service. ACPO also supports national collaboration around some non-strategic issues (e.g. shared services) where it would result in improvements. They recognise that, in some case, greater standardisation is required across the service, particularly in business processes and IT, in order for individual forces to be more effective and efficient. Current differences across the service are thought to result in unnecessary bureaucracy.

## **The policy options that were considered**

- Option 1: Do nothing.
- Option 2: Develop an decision-making model.

Option 2 is the preferred approach. Option 1 is rejected because it leaves the underlying problem unresolved. Decision-making would continue to follow the *ad hoc* arrangements that have evolved, pragmatically, over time. There is a risk that, without tackling the underlying problem, previously identified gaps in service delivery would continue (such as those previously identified in the Bichard Inquiry and HMIC's *Closing the Gap* report). The police service would also fail to benefit from the economies of scale and efficiency gains that would be available if some services were organised at a more strategic level. The nature of the current funding settlement places a premium on the police service maximising their cost-effectiveness, the principal aim of the decision-making model.

The model and its application have yet to be developed in full and are to be consulted upon in the Green Paper. The primary consideration, thus far, has been about whether to develop an decision-making model, and the guiding principles that any model should follow. The process has not been about specifying detailed policy options. The final shape of the model and application of its principles, which may include a range of approaches, will be based on responses to this consultation, ongoing engagement with members of the tripartite on their refinement, and further discussions with stakeholders on emerging proposals.

An alternative approach would be to follow the 'best practice' from other countries. This approach was adopted by the Police Restructuring Commission who were responsible for developing proposals for the 'single structure' of policing for Bosnia and Herzegovina.<sup>3</sup> Drawing on common practices across Europe, the commission recommended which police functions were to be performed at the state and local level. The 'best practice' approach was not pursued in the Green Paper because of the risks inherent with international comparisons. Without systematic evaluation evidence that takes account of both impact and context, it is not clear what constitutes transferable 'best practice'. Significant political, legal and institutional differences make international comparisons problematic. The 'best practice' approach would also result in a fixed list of decisions to be taken at different levels, which would not be sufficiently dynamic to take account of changing circumstances.

## **The evidence on the benefits**

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<sup>1</sup> Home Office and ACPO (2006) *Making Delegation Work: Guidance for the Police Service on Delegation to Basic Command Units and Support Departments*.

<sup>2</sup> See: ACPO (2008) *Police Reform Green Paper: The Future of Policing*. Submission to the Home Office.

<sup>3</sup> Police Restructuring Commission (2004) *The Final Report on the Work of the Police Restructuring Commission of Bosnia and Herzegovina*. <http://www.ohr.int/ohr-dept/presso/pressr/doc/final-prc-report-7feb05.pdf>

1. The benefits of developing a decision-making model:

- Identification of which decision would be most appropriate at the national, regional and local level.
- Clarification about the role of central mandation, when there is a strong case to do so, on the primary grounds of effectiveness and efficiency.
- Common agreement among stakeholders about decision-making levels.

The model, as an organising and decision-making tool, will not in itself deliver wider outcome improvements, nor is it expected to. Any benefits that will be derived will be from its practical application.

3. The benefits of applying a decision-making model:

- The specific benefits of applying the model are, as yet, unknown. This is because the model has yet to be specified in detail and there is a broad range of policing issues to which the model could be applied.
- The model's application, and any resulting change in decision-making levels, is intended to deliver improvements in effectiveness, efficiency, and/or quality of service. The appropriateness of a decision-making level is dependent on cost-effectiveness being maximised. As such, the benefits should outweigh any costs involved.

An example: If some aspects of procurement were to be subject to centralised (e.g. the specification of the service's operational requirement, or the purchasing of common non-police specific goods), this could result in more effective purchasing, economies of scale and reduced costs. It may also enable force-level resources previously devoted to procurement being redeployed.

### **The evidence on centralisation and decentralisation in policing**

While empirical evidence exists on the wide range of issues to which the decision-making model might be applied, there is relatively limited evidence about the impact of centralisation or decentralisation in policing. An initial literature scan identified the following evidence:

- Theoretically-informed empirical research on policy-making in policing, from 1994, concluded that, in the context of widespread public disorder, that there is nothing antidemocratic about greater central government provision.<sup>4</sup> It acknowledged that central government was bound to have the main responsibility for improving efficiency across the service, and that decentralisation would be unrealistic. This was primarily because the costs of policing were mostly met via central taxation, and that government had a duty to taxpayers to improve the efficiency of service delivery. Important gaps in accountability were, nonetheless, identified.
- In the US, the move to community policing has been closely associated with an organisational strategy of decentralisation. Previous research from Chicago has pointed to the positive impact of a community policing strategy linked to decentralisation, although it also highlighted implementation difficulties and political risks with decentralisation.<sup>5</sup>
- Joint Home Office and ACPO guidance highlighted that the main benefits of decentralisation within forces were increased staff motivation and increased innovation. Other potential operational benefits identified were: more responsive partnership working; rationalised decision-making and reduced bureaucracy; increased scrutiny of expenditure; and greater impact of BCU resources. Risks were also identified in relation to poorly managed decentralisation. Greater centralisation was thought to be required to: mitigate inconsistency and respond to force-level need; deliver economies of scale; and create organisational resilience.

### **Detailed costs**

1. The costs of developing a decision-making model:

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<sup>4</sup> Jones, Newburn, and Smith (1994) *Democracy and Policing*.

<sup>5</sup> Skogan (2006) 'The Promise of Community Policing', in: Weisburd and Braga (eds) *Police Innovation*.

The development of the model is likely to be relatively low in cost. It is most probable these costs could be absorbed within the existing policy and secretariat resources of the Home Office. Were the development work to be contracted out, it is likely to cost in the region of £150,000. This figure is based on the following estimations derived from standard rates on existing framework agreements. The total cost of the work is typical of a project of this size, nature and importance, given the level of detail the work is likely to involve. The estimated number of workdays has been considered in light of previous research exercises that have previously been contracted out by the Home Office. The workdays should be seen as the maximum needed to carry out the full work requirement, and includes a contingency should the task prove more complex than expected.

Task	Senior consultant (£1,250 per day)		Consultant (£750 per day)		Total cost
	Days	Cost	Days	Cost	
Examination of current decisions	10	£12,500	45	£33,750	£46,250
Assessment of the evidence	5	£6,250	15	£11,250	£17,500
Application of model	10	£12,500	45	£33,750	£46,250
Stakeholder engagement	10	£12,500	10	£7,500	£20,000
Report writing	2	£2,500	10	£7,500	£10,000
Quality assurance	3	£3,750	0	£0	£3,750
Project management	5	£6,250	0	£0	£6,250
<b>Total</b>	<b>45</b>	<b>£56,250</b>	<b>125</b>	<b>£25,000</b>	<b>£150,000</b>

2. The costs of applying a decision-making model:

- The specific costs of applying the model are, as yet, unknown. This is because the model has yet to be specified in detail and there is a broad range of policing issues to which the model could be applied.
- The application of the model is likely to result in additional direct costs. With its application, the model is likely to result in some decisions being centralised, and others being decentralised (where there is a strong case for doing so). Greater centralisation or decentralisation would, most probably, require changes to existing business processes. Because of the principles underpinning the model, the benefits resulting from any change should outweigh any initial costs involved.

An example: If, as before, some aspects of procurement were to be subject to centralised, this could result in resources being redeployed from forces to the regional or national level. There is likely to be would some initial set-up costs with this shift in resources.

## Specific Impact Tests: Checklist

We have carefully considered the related impacts of this specific proposal and have concluded that it will not affect the private sector nor will it raise any issues around the other impacts listed. An Equality Impact Assessment has been produced for the Green Paper which can be seen at [\[link/page\]](#). We have considered whether a Privacy Impact Assessment was necessary and decided it was not.

<b>Type of testing undertaken</b>	<b><i>Results in Evidence Base?</i></b>	<b><i>Results annexed?</i></b>
Competition Assessment	No	No
Small Firms Impact Test	No	No
Legal Aid	No	No
Sustainable Development	No	No
Carbon Assessment	No	No
Other Environment	No	No
Health Impact Assessment	No	No
Race Equality	No	No
Disability Equality	No	No
Gender Equality	No	No
Human Rights	No	No
Rural Proofing	No	No

## Annexes

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