



Assessment of compliance with the Code of Practice for Statistics

Police Funding for England and Wales Statistics

(produced by Home Office)

Office for Statistics Regulation

We provide independent regulation of all official statistics produced in the UK. Statistics are an essential public asset. We aim to enhance public confidence in the trustworthiness, quality and value of statistics produced by government.

We do this by setting the standards they must meet in the <u>Code of Practice for Statistics</u>. We ensure that producers of government statistics uphold these standards by conducting assessments against the Code. Those which meet the standards are given National Statistics status, indicating that they meet the highest standards of trustworthiness, quality and value. We also report publicly on system-wide issues and on the way statistics are being used, celebrating when the standards are upheld and challenging publicly when they are not.

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Executive Summary

Judgement on National Statistics Status

- ES.1 Police Funding for England and Wales statistics provide a valuable source of information on an issue that has been at the centre of public debate on policing for a number of years. The statistics, which are produced annually by Home Office, are a response to a <u>user need</u> for clear information about police funding.
- ES.2 We have identified several ways in which Home Office should develop the statistics in order to meet the highest standards of the Code of Practice for Statistics and achieve National Statistics status. These are described in chapters one to three of this report. As we identified improvements during the course of the assessment, Home Office began addressing them. Home Office has committed to further actions, which it expects to be carried out before the next publication of the statistics in July 2021.
- ES.3 Once Home Office demonstrates that these steps have been taken, we will recommend that the UK Statistics Authority designate Police Funding in England and Wales as National Statistics.

Key Findings

Public Value

- ES.4 The level of insight and information provided by the police funding statistics are viewed positively by users, and for the users who regularly make use of them the statistics they are seen as very valuable. One of the main strengths of the Police Funding statistics is that they fill a gap in the available data on police funding; all the users we spoke to feel the statistics achieve this well.
- ES.5 The original OSR casework that led to the creation of these statistics focussed on real-terms increases in police funding over time, so it is a current weakness of the statistics that figures are not adjusted for inflation. One of our key requirements that Home Office is currently working to address is to publish real-terms changes so that users have greater insight into the effects of inflation on police funding.
- ES.6 The length of time series was also flagged as an area for improvement by users. Currently the time series only goes back to 2015. To better inform public debate, Home Office should provide data at an aggregate level going back to 2010. Users felt this would make them more comparable to statistics such as the Local authority revenue, expenditure and finance statistics produced by Ministry of Housing, Communities and Local Government.

Quality

ES.7 The statistics are based on several financial data sources, which include the council tax uplift and Home Office Police Grant uplift. The statistics are broken down to police force level and reasons for variation in the distribution of funding at force level is highlighted where appropriate in the statistics. This helps users understand the local and national funding priorities more easily whilst protecting the privacy of any strategic police force investment, such as anti-terrorism funding.

ES.8 The statistics currently lack associated information about data limitations and quality, and users told us that such information would be helpful. During the assessment process Home Office started developing a user guide to accompany the next publication. Home Office should apply our Quality Assurance of Administrative Data (QAAD) framework to understand the limitations of all stages of the data process and assure itself and users of data quality.

Trustworthiness

- ES.9 Home Office is a trusted and respected producer of official statistics. Consequently, many users look to its website for up-to-date statistics on policing and data on what the police do. The team at Home Office is well managed and has recently been restructured; as a result of this restructuring the police funding statistics now have a permanent home within the Policing Analytical unit. The team had already been investigating avenues to develop the statistics before starting the assessment and it has been engaging well throughout the assessment process.
- ES.10 However, users told us that a discussion about the processes that take place before the statistics are produced would increase the transparency of the statistics. Home Office plans to provide details of the key events that take place before the statistics are produced in the new proposed user guide, to enhance their transparency.

Next Steps

- ES.11 To achieve National Statistics status, Home Office should meet the requirements set out in this report. Home Office is encouraged to:
 - a. Develop an action plan to meet the requirements in Table 1,2 and 3;
 - b. Meet the requirements for the next annual release of the statistics in July 2021:
- ES.12 UK Statistics Authority will take advice from OSR and decide whether to award the National Statistics designation.

Chapter 1: Public Value

Introduction

- 1.1 Value means that the statistics and other numerical information are accessible, remain relevant and benefit society; helping the public to understand important issues and answer key questions.
- 1.2 Value is a product of the interface between the statistics or other numerical information and those who use them as a basis for forming judgements.

Findings

1.3 The <u>Police Funding for England and Wales statistics</u> are important for public accountability and are generally well thought of by those who use them. For example, one user highlighted that before this statistical series was published, they had to request information from police forces about their funding and complete their own analysis on police funding. The users we spoke to told us that the statistics were a great improvement, and an increase of transparency, on the opaque data sets that were published before.

Enhancing insight and understanding by providing more-detailed information about police funding

- 1.4 A key area for improvement identified by many users we spoke to is the timeliness of the statistics. The statistics, released each July, are the finalised set of funding figures and as such are dependent on decisions tied to the completion of the budget at the end of the financial year. However, many users said they would prefer to make use of the preliminary figures arrived at in the previous December in the Police Grant report. The team receives the data for the statistics at the start of each financial year; the time taken to quality assure and verify the data is the reason the statistics are published in July, at the start of the second quarter of the financial year. To enhance the timeliness of the data for users, Home Office should publish high-level preliminary funding figures at the start of the financial year. This will give users access to the data more quickly before publishing a more granular breakdown of the data in July.
- 1.5 The statistics currently report changes only in nominal terms and many users told us they convert these to real-terms changes (adjusted for inflation) as part of their own analysis, because they find real-terms changes more informative. To enhance the usefulness of the statistics, Home Office is examining how best to publish real-terms changes alongside the nominal changes. We have shared OSR's blog on Statements about public funding with the team and we welcome its commitment to producing the statistics in both nominal and real-term prices.
- 1.6 Some users we spoke to noted that the value of the police funding statistics would be enhanced if they covered both the period before and after the spending review in 2015. The spending review resulted in a change to the resources used for police funding and how funding was allocated to police forces, but not the total funding figure. As the current statistics cover the period only from 2015 onwards, the team should expand the analysis to cover the period from 2010 onwards to enable users to compare the funding totals over a longer time period and understand the impact

- of the most recent years' spending review on police funding. There may be complications with aligning funding sources across this time period, in which case some of the more detailed breakdowns could continue to be from 2015 onwards. However, user feedback highlights that there should be no issue with providing a high-level funding figure for each year going back to 2010 because the changes to allocation and resource have no impact on the total figure.
- 1.7 In the statistics publication the changes in funding from the previous year are expressed in percentage terms and some users felt having a percentage change for individual forces within the data tables of the statistics would add value as well; users are currently calculating this themselves, so while it's a small change it would be of great benefit to users. We encourage Home Office to provide this analysis in the statistics publication to enhance the insight and the convenience of the statistics for users.
- 1.8 The statistics provide overall figures for funding and a breakdown by different funding sources, as well as overall figures for individual forces. Some users indicated that having a breakdown of funding sources at a more granular geographic level would be useful. Users acknowledged that there were reasons (such as counter-terrorism funding), why this could not be provided at an individual force level, but also told us that a Welsh and English split would be useful, particularly for users in the Welsh Government, for understanding what available funding forces have available to them and what they may not be taking advantage of.
- 1.9 Both the level of central government funding provided, and the level of local funding raised are in part dependent on local populations. Some users flagged the value that figures controlling for population levels could add to the statistics. This would allow users to identify where an increase in funding is offset by an increased population for the police to oversee and help inform debate around adequate police funding. This could be based on the number of households or number of band D council tax households as this tax band is the highest part of the council tax contribution to police funding. We encourage Home Office to investigate the possibility of including this type of breakdown in the statistics to take account of changing populations.
- 1.10 Information about the different sources of police funding is published separately. In particular the Police Grant report sets out provisional figures for central funding in December prior to the police funding publication and the Ministry of Housing, Communities and Local Government (MHCLG) provides figures on the council uplift that informs the local precept funding. We encourage Home Office to link to both these sources to increase user awareness of these timelier accurate sources of information, as well as the wider funding environment. In addition to this we it would also be good for Home Office to link to the Police Officer Uplift, England and Wales Quarterly Update statistics, also published by Home Office, which report on progress on recruiting an additional 20,000 police officers in England and Wales. The Police Funding statistics directly relate to these statistics and linking to them will enhance the coherence of information about different policy initiatives relating to policing.
- 1.11 Home Office also publishes a <u>Fact Sheet</u> on the funding settlement for the coming year in December. The Fact Sheet provides headline figures of the government funding proposals which are to be agreed by the Police and Crime Commissioners (PCCs) along with the Funding settlement, which is agreed before the beginning of

the financial year. To ensure the continued coherence about the decision making and data collection process, we encourage Home Office to also provide a link to the Fact Sheet on the police funding statistics landing page.

Maximising accessibility and reuse of the statistics and data

1.12 The publication is currently a single PDF document that contains various tables detailing the funding breakdowns. We recommend Home Office publish an HTML report as well as PDF, as per the recent Government Statistical Service accessibility guidance. Additionally, many users told us they are copying data manually from the tables in the publication into Excel to allow for reuse. Home Office intends to upload a set of accompanying tables in Excel format alongside the statistical publication and this will save users time, ensure there is less risk of error where these figures are reused, and maximise opportunities for reuse.

Understanding and engaging with users

1.13 Home Office does not yet have a good understanding of the wider user community of these statistics and has little engagement with users; we welcome its commitment to growing and better understanding the user base. Many of the users interviewed for the assessment indicated that they were happy for Home Office to get in touch. We expect the team to use these users' details as a start to expanding the user base. As part of the long-term growth and development of these statistics Home Office should develop a user engagement strategy and collect user feedback, to understand the range of users and uses of the statistics. Our recently published guidance on user engagement might be helpful in thinking about and planning user engagement activities.

Table 1: Value – Findings and Requirements

Findings	Examples	Requirement
Users felt the timeliness of the publication could be improved.	 The statistics are currently published in July, but users would like preliminary figures before July. It is not explained why the statistics are not published at the start of the financial year. 	 To enhance the timeliness of the statistics, Home Office should: Publish preliminary figures at the start of the financial year. Be clear what the constraints are to the timeliness of the statistics.

Findings	Ex	amples	Re	equirement
Users told us that presenting funding changes only in nominal prices did not help provide an understanding of the effects of inflation on police funding.	•	We found that users convert the figures to real-terms figures to understand the impact of inflation on funding.	2.	Home Office should publish real-terms as well as nominal prices to provide greater understanding of the effects of inflation on police funding.
Users highlighted that the value of the statistics would be enhanced if the time series went back to 2010, like other related statistics, such as MHCLG's Local authority revenue expenditure and financing England statistics.	•	The current statistics go back only to 2015.	3.	To bring these statistics into line with other similar statistics, Home Office should provide a high-level total funding figure for England and Wales going back to 2010.
Users would like a breakdown at England and Wales levels to understand policy interventions such as Safer Streets.	•	The statistics currently do not provide a breakdown for England and Wales.	4.	Home Office should provide a breakdown of funding for Wales and England.
Home Office does not publish data in a reusable form.	•	To use the data, many users manually input the numbers from the statistics publication into their own spreadsheets.	5.	To allow easier further analysis, Home Office should provide the data tables in Excel or ODS format.

Findings	Examples	Requirement
The team does not yet have a good understanding of the wider user community of these statistics.	Our assessment has found that these statistics fill an important gap. However, they could be enhanced by effectively engaging with users.	6. To build its understanding of users and ensure the statistics meet user needs, Home Office should develop and implement a strategy for engaging with users. As part of this Home Office should consider preparing an action plan of how the statistics team intends to grow its user base.

Chapter 2: Quality

Introduction

- 2.1 Quality means that the statistics and numerical information represent the best available estimate of what they aim to measure at a particular point in time and are not materially misleading.
- 2.2 Quality is analytical in nature and is a product of the professional judgements made in the specification, collection, aggregation, processing, analysis, and dissemination of data.

Findings

Focus of the police funding statistics

- 2.3 There are many different sources of police funding. The statistics specifically concentrate on police funding and not funding contributing to bodies related to policing, which include the National Crime Agency (NCA) and Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS). These bodies are mentioned in the statistics because they are partly funded by the police funding grant.
- 2.4 The statistics are clear that the funding they highlight is not the whole budget for policing for either an individual police force area or a body like the NCA. For example, some PCCs receive funding from other sources, such as their financial reserves or charging for special police services, relating to football matches or concerts. The statistics aim to provide a snapshot of police funding as set out each year to the UK parliament as part of the annual police funding process.

Quality and methods documentation

- 2.5 While the contextual documents covered above provide a good level of insight about how the data are collected, the users we spoke to told us they considered it would be better if the information on sources was included in a single document about quality. For example, some users felt that while there is information about quality within the statistical bulletin, police funding is still difficult to understand and having a document covering the strengths and limitations would enhance understanding of the quality of the statistics for all types of user, including nontechnical users. During the assessment process Home Office started developing a user guide to accompany the next publication which will be based on expanded versions of the current quality information provided. Home Office should apply our Quality Assurance of Administrative Data framework (QAAD) framework, to guide understanding about the limitations of all stages of the data process and assure itself and users of data quality. The framework will also be useful in helping the team to produce public information about quality.
- 2.6 The quality assurance process adopted by the data team is based on Office for Budget Responsibility best practice methods for publishing data about funding. The team has a strong working relationship with analytical teams in MHCLG, particularly around the use of the latter's data on local authority contributions to police funding. It is good to see that the collaborative approach taken to assuring the data on police

- funding is robust. We encourage the team to include details of these relationships and best practice methods in the quality and methods documentation.
- 2.7 A quality and methods document would be a good place to provide greater detail about the funding formula used to calculate the funding grant and alert users about how changes to the formula may affect the statistics in the future and this is to be reflected in the proposed user guide. As highlighted in the Value chapter the reason why the funding statistics are published four months after the start of the financial year could also be covered.

Strong relationships with data suppliers and other collaborators

- 2.8 We found the relationship between the Home Office team that supplies and assures the quality of the data and the statistics team to be positive. For example, the teams have regular catchups about the timeliness of the data and the data supply team is closely involved in the production of the statistics, particularly around assuring the commentary and caveats in the data.
- 2.9 We were pleased to hear that the data team along with the publication team have started an improvement project, making the spreadsheet currently large and database more streamlined. The team should work closely with the data team during this project.
- 2.10 We consider that adopting Reproducible Analytical Pipeline (RAP) best practice will make streamlining the data process easier and eliminate mistakes that can often arise when using large spreadsheets. Though we are assured that no such mistakes have happened, implementing RAP will be an excellent way of future-proofing the quality of the statistics. Our recent review, Enhancing the use of Reproducible Analytical Pipelines, provides some useful case studies on how to implement RAP. Adopting all or part of RAP methodology will ensure the continued quality of the data used to produce these statistics.

Table 2: Quality – Findings and Requirements

Findings	Examples	Requirement
The data team will be starting a review of the spreadsheet used to quality assure the financial data.	The spreadsheet used is large and has many different tabs, and there is a risk of errors which could impact the statistics.	7. To ensure the continued quality of the data, Home Office should implement RAP in the production of the statistics.

Findings	Examples	Requirement
Home Office publishes little information about data quality or the strengths and limitations of the statistics.	Users highlighted that more information on the limitations of the statistics would help non-technical users engage with police funding and bring clarity to complicated issues like the funding formula.	8. a) To increase understanding and clarity around the quality of the data, Home Office should publish a quality document alongside the statistics.
		b) To better understand the limitations of the data, Home Office should apply our QAAD framework.

Chapter 3: Trustworthiness

Introduction

- 3.1 Trustworthiness means that the statistics and other numerical information are produced free from vested interest, based on the best professional judgement of statisticians and other analysts.
- 3.2 Trustworthiness is a product of the people, systems and processes within organisations that enable and support the production of statistics and other numerical information.

Findings

- 3.3 The Home Office is a trusted and respected producer of official statistics. Consequently, many users look to its website for up-to-date statistics on policing and data on what the police do. The team at Home Office is well managed and has recently been restructured; as a result of this restructuring the police funding statistics now have a permanent home within the Policing Analytical unit. This restructuring supports the ongoing development of the statistics and provides a good opportunity to grow and better understand the user base (see 1.13).
- 3.4 The trustworthiness of these statistics is important because they bring transparency to changes in police funding. As part of its transparency, the team provides an annex of the different police bodies that are included in the police funding statistics, and a list of the government departments and job titles of those that get pre-release access to the statistics, on the landing page. The statistics were created for the public good as a result of complaints made to OSR in 2018 about the difficulty in understanding police funding data and them not all being presented in a single place.
- 3.5 The statistics are based on financial accounts which are published in the Police Grant report and debated in the UK Parliament each December.
 - The Police Grant report is voted on by the UK Parliament and contains grant funding allocations for the coming financial year.
 - Home Office accompanies the Police Grant report with a written ministerial statement providing context and information on funding that is not set out in the Police Grant report.
 - Home Office then shares the Police Grant report and proposed funding uplift with PCCs, so they can add a percentage of their council tax revenue to the funding figure.
- 3.6 The statistics are produced after the police funding settlement is agreed by the UK Parliament and by PCCs at the start of each financial year. These negotiations are not in the public domain and so the publication of the statistics the following July brings together the confirmed funding uplift for the current financial year. The police funding uplift is agreed at the start of the financial year, and the publication of these statistics enhances the public debate around police funding and ensures public scrutiny of UK Government policies. This process is not clearly explained in the statistics and users told us that a discussion about the processes that take place

before the statistics are produced would increase the transparency of the statistics. The team intends to use the proposed user guide to provide details of the key events that take place before the statistics are produced.

Table 3: Trustworthiness – Findings and Requirements

Findings	Examples	Requirement	
There is no information published alongside the statistics about the processes for agreeing funding and no discussion of why this impacts the delay in publishing statistics.	Users said it would be useful if Home Office published more information about the events that take place prior to producing the statistics.	9. To ensure transparency, clarity and insight, Home Office should provide a clear explanation of the funding allocation and approval process.	

Annex 1: About the Statistics

The Statistics

A1.1 Home Office developed these statistics as a result of casework carried out by OSR on the clarity of police funding changes. This <u>casework</u> focussed on whether claims regarding increases in funding reflected a real or nominal increase. The timing of the casework focussed on changes from the spending review in 2015.

Data Sources and Methods

- A1.2 The Police Funding in England and Wales statistics are published once a year. The statistics are based on several different financial sources. The government funding for police is set out in the annual spending review and this is agreed by the UK Parliament each year. Home Office produces the Police Grant report along with a written ministerial statement which provides wider context on funding information that is not set out in the grant report.
- A1.3 The grant report provides a breakdown of funding paid by Ministry of Housing, Communities and Local Government (MHCLG); funding for national priorities; police capital funding; counter-terrorism funding and the police precept.
- A1.4 Police and Crime Commissioners (PCCs) set a local police precept which focuses on funding for local priorities and is collected as part of council tax. This accounts for 34% of total police funding and is set depending on local priorities. The level of police precept is set by each PCC by 1 March. MHCLG sets referendum principles for PCCs in England, which set out the level of increase in tax Band D. The referendum principles mean that if the PCC's proposed increase is excessive there must be a vote on the matter.
- A1.5 Council tax in Wales is a devolved matter and referendum principles are set by the Welsh Government. In Wales, local authorities are responsible for the setting, collection and enforcement of council tax. PCCs in Wales are not subject to the referendum principles which apply in England when setting their council tax Band D bill levels.
- A1.6 In addition to this, PCCs receive funding from other sources, such as their financial reserves or charging for special police services. For example, charges for providing officers at football matches, festivals and concerts.

Uses and Users

- A1.7 The main uses for these are public scrutiny of police funding by think tanks, economists and policy makers.
- A1.8 We spoke with: think tanks; economists; researchers and policy officials.

Annex 2: The Assessment Process

- A2.1 This Assessment was conducted from December 2020 to May 2021.
- A2.2 This report was prepared by the Office for Statistics Regulation and approved by the Regulation Committee on behalf of the Board of the UK Statistics Authority, based on the advice of the Director General for Regulation.
- A2.3 The regulatory team Lewis Jack and David Ross agreed the scope of and timetable for this assessment with Home Office in December 2020. Documentary evidence for the assessment was provided by Home Office in December 2020. Following a review of this evidence and after carrying out user engagement, the regulatory team met Home Office in February 2021 to discuss compliance with the Code of Practice for Statistics.
- A2.4 A key part of the assessment was talking to people who use the statistics, to help us to understand the current value of the statistics, and where there is the potential to increase this. We approached known and potential users of these statistics and conducted 14 interviews. We also received written feedback on the statistics from several users.

