

Chief Constables' Council

Aviation Programme – Options: Service Optimisation, Funding & Finance, Governance & Delivery

15 January 2020 / Agenda Item: 5

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1. PURPOSE

- 1.1 It is worthy of reflection that it was only on 17 July that Chief Constables gave their agreement to the new 10 year Police Aviation Strategy and supported my request to fund a small Task and Finish group. I am grateful that all forces contributed towards a £250k reserve to deliver the first stage of the strategy and work on matters of particular concern to Chief Constables. This has allowed for a three person team to be established and provided the necessary capacity and focus to produce evidence based proposals aimed at stabilising the service. They have also been able to specifically address dissatisfaction raised by colleagues about the operational delivery of air support, the rate of rising costs, and the ongoing impact that the Actioned Calls for Service (ACS) funding model is having on the value delivered through the use of aviation assets.
- 1.2 Your support for this work has allowed for a great deal of ground to be covered in a short space of time. Having completed visits to all forces in England and Wales and engaged with a broad range of related stakeholders, the team have undertaken an in depth analysis on our behalf to explain why from the outset national air support has been so challenging as a collaboration to get right. It uses this insight to suggest options for the future. Their work formally acknowledges the considerable commitment and hard work by



a range of colleagues in West Yorkshire, including their PCC and Chief Constable who have carried this responsibility on behalf of policing in England and Wales since its inception. Thanks should also go to NPAS colleagues who have engaged positively with this programme, including the Director of Operations who has been seconded to the NPCC team and been instrumental to the production of change options for Chief Constables.

- 1.3 The narrative of this report has passed through the Independent Assurance Group for Aviation, the NPCC Operations Committee and the NPAS National Strategic Board. It has also been socialised with the APCC, Home Office and the NPAS management team. A consensus exists that the programme has successfully identified the challenges and issues that underpin the range of options presented to Chiefs. Financial data has been scrutinised by a Force Chief Accountant and a member of the NPCC Finance Committee has been engaged. Cranfield Aviation University has assured the findings from an industry specific, good practice perspective.
- 1.4 What follows is a paper that captures the issues that need to be addressed; the efforts to date made to deal with these persistent and seemingly intractable problems and then, as a result of evidence based analysis, it provides options for consideration - daring to recommend the pathway that Chief Constables may like to support, whilst welcoming discussion at Council.
- 1.5 Delivered in stages, this paper provides *strategic recommendations* for Chief Constables and PCCs in relation to:
 - 1.5.1 Optimised Service
 - 1.5.2 Funding and Finance
 - 1.5.3 Governance and Delivery Model
- 1.6. The single biggest strategic choice for Chief Constables is whether to continue to invest the necessary £70M of *additional* capital and £3-5M p.a. of revenue funding in order to restore standalone police air support, capable of providing a level of operational effectiveness that attracts the broad confidence of forces. Or in contrast, to pursue a *new direction* towards stable cost and higher gain options by engaging with a strategic partner, whilst also exploring opportunities to exploit economies of scale and improve service by creating an ambitious integrated emergency services air support organisation with agencies such as Maritime and Coastguard Agency (MCA and other 'blue light' organisations).

2. BACKGROUND

- 2.1. The 10 year Police Aviation Strategy has at its heart the principle aim of keeping the public safe and reassured by seeking 'to build a blended future national air support service that is affordable and available to deploy to the highest threat, harm, risk or vulnerability'.
- 2.2. An evidence base has been derived from interviews with Chief Officers and, where possible, OPCC colleagues from all forces in England and Wales (incl. British Transport Police – (BTP)), combined with independent analysis of the current air support service delivered by NPAS.
- 2.3. Research and analysis shows:
 - 2.3.1. Nearly all forces have a continuing operational need for air support and there is no discernible appetite to return to individually owned and operated aircraft. London has the necessary scale where such a move could be considered, but currently has no desire to pursue this. Only Norfolk and Suffolk have expressed the view that they no longer require conventional air support.
 - 2.3.2. Unlike other forms of collaboration, where national scale can be expected to deliver savings and efficiencies – the original business case that created NPAS did not take account of the uniqueness of aviation and the consequential increase of up to £5M p.a. of unavoidable additional cost. *When NPAS was formed, the police service created, in regulatory terms, its own airline.* The resulting

funding pressure has contributed to the reduction in the number of aircraft, moving the service in some areas of the country towards becoming ineffective and thus poor value.

- 2.3.3. It is now widely acknowledged that the Lead Force delivery *model* is itself a sub-optimal way of managing collaborations due to the necessity to pursue low risk operational and financial options that protect the host force and its local tax payers.
- 2.3.4. NPAS inherited a network of legacy bases, not all of which are aligned with areas of threat, harm and risk, leading to wasted flight time and high rates of cancellations. (c.40% overall)
- 2.3.5. Current governance structures have evolved outside the scope of the original collaboration and have missed the opportunity to utilise ideas and experience from the commercial aviation industry. High turnover of representation and serial absences have been an added challenge to both of the main governance boards.
- 2.3.6. The number of requests by forces for air support assets has been in steep decline over the last 3 years. If this continues, it risks making the service non-viable in as few as 3 years. Despite this trend, flight hours have been stable and therefore productivity is declining. The addition of up to 25% more flight hours through the introduction of aeroplanes will exacerbate this further.
- 2.3.7. The recent certification process for the aeroplanes has led to significant operational restrictions being imposed on the airfields from which they can operate. This means that the additional capacity (and cost) of this fleet does not align geographically with where demand for service exists, in a way that allows for a commensurate reduction in helicopter use.
- 2.3.8. The current funding model is a significant contributory factor in driving the reduction in tasks and has created, in some forces, an artificial market for the use of drones, where a conventional aviation asset could be cheaper or more effective to use, but currently attracts an ACS.
- 2.3.9. The fleet is ageing which reduces the amount of time individual aircraft are available to be used and increases the cost of maintenance.
- 2.3.10. The development of visual line of sight drones across the country lacks consistency but has revealed new demands for air support that can be fulfilled without the need for conventional aviation assets. It is accepted by forces that pursuits, wide-area searches for vulnerable people or suspects and other dynamic incidents, cannot currently be effectively dealt with by drones.
- 2.3.1. ***** . S31 S24
- 2.3.12. The Operations Coordination Committee has approved this submission on the 12 December 2019

3. PROPOSAL

3.1. Proposals for Change

- 3.2. If the challenge that we are trying to overcome is how best to win the confidence of forces and invite more tasks from policing by optimising an ageing fleet; spending a higher proportion of the money that forces currently contribute to NPAS on operating more aircraft, at more locations in order to make the service effective – Chief Constables should be clear about whether they believe this can be achieved through a standalone police air support organisation – regardless of who the lead force is. This paper makes the case that this now appears to be beyond the financial envelope that is currently available to police forces. The scale of additional investment in the current delivery model exceeds £70M of capital due to a backlog in fleet replacement and £3-5M p.a. in revenue due to the fleet being too small to meet the current responsive operational requirements of forces. For this reason and the lack of perceived appetite during visits with

forces across England and Wales to invest on this scale, this option is not discussed further. It is instead proposed that this ambition can only be realistically achieved by accessing the efficiencies available to strategic partners, especially if this was to be part of a stepped process towards a £300M p.a. joint emergency services air support network, together with the MCA and other 'blue light' services.

3.3. In practical terms it is envisaged that such a partnership would deliver operational benefits through the police being able to access more assets at more bases, *****. S31 S24 It is also likely to have the scale of resources to sponsor new developments in air support technology, including the commissioning of BVLOS drones, which the MCA is currently leading on for the Department for Transport.

3.4. In the shorter term it is suggested that NPAS could be re-configured to become an internal service provider of helicopters/pilot/crew/maintenance/fuel and CAA regulation, allowing forces on a regional basis to contribute Tactical Flight Officers and manage their own command, control and tasking – incurring a *direct cost* for the service that they have specified. This is similar to the relationship that could then exist with a strategic partner and is how this service is currently delivered on behalf of Police Scotland.

3.5. Optimised Service

3.5.1. We have listened to forces and sought to optimise the air support service that could be provided in terms of availability and responsiveness. This could be achieved without increasing the current level of investment from forces, beyond inflation, if combined with a move to regional deployment and an internal supplier focus for NPAS. The proposals below are interim measures only until Chief Constables and PCC's make key decisions on delivery model:

3.5.1.1. *****S31 & S24*****

3.5.1.2. *****S31 & S24*****

3.5.1.3. *****S31 & S24*****

3.5.1.4. *****S31 & S24*****

3.5.1.5. *****S31 & S24*****

3.5.1.6. *****S31 & S24*****

3.5.1.7. *****S31 & S24*****

3.5.1.8. *****S31 & S24*****

3.5.1.9. *****S31 & S24*****

3.5.1.10. *****S31 & S24*****

3.5.2 *****S31 & S24*****

3.5.3 The net effect of the reduced hours of base operation in some areas, based on demand, together with increased use of aeroplanes in place of helicopters and the re-distribution of the existing rotary fleet, would provide opportunities to increase aircraft availability whilst the issue of fleet replacement is resolved.

3.6. Finance & Funding

3.6.1. This work has highlighted 3 main options to fund air support. These are:

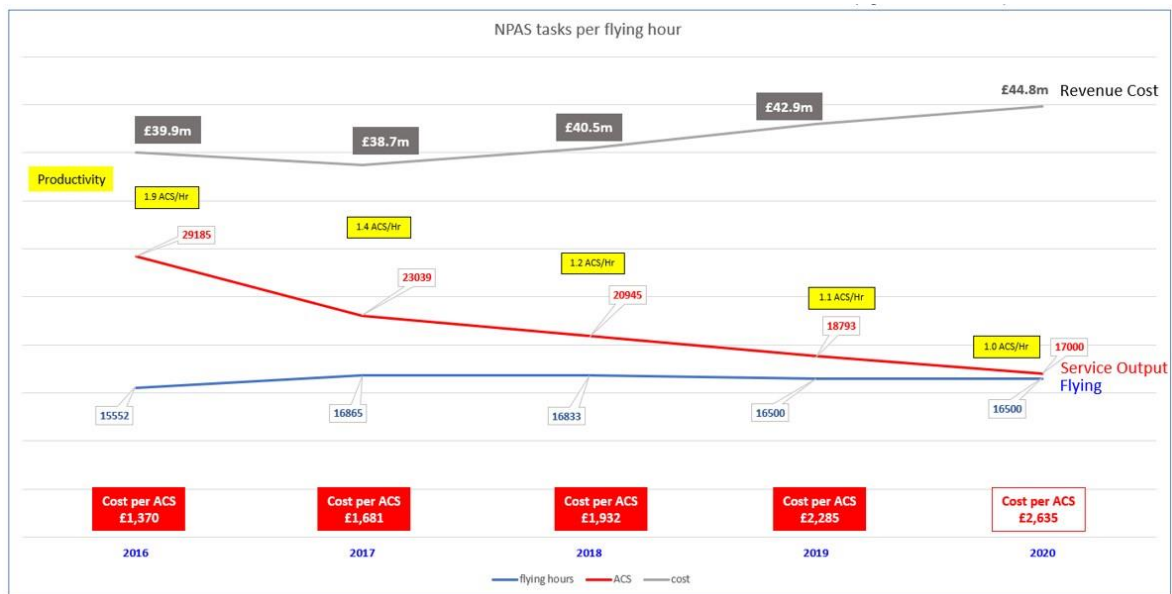
- 3.6.1.1. Continue with the current ACS model
- 3.6.1.2. Develop a funding model that continues to share costs
- 3.6.1.3. Apply direct costs to regions, based on the service level specified locally

3.6.2. The ACS charging model is not considered by a majority of forces to be a viable or sustainable means of funding air support. Over 60 alternative funding models were considered – including work by the Specialist Capabilities Programme. Each of these requires Chief Constables and PCCs to accept the principle that they will either pay more than the cost of the service they receive, or they will be subsidised by other forces, by paying less. Different models exaggerate this effect and given the quantum of money involved in aviation, these surpluses’ and deficits are commonly in the region of hundreds of thousands of pounds per year per force.

3.6.3. It is recommended instead that regions could be charged for the *direct cost* of the service level that they have a role in specifying. This would allow them to choose hours of operation, flight time and the number and type of aviation assets. This could be stabilised over successive years to help with financial planning. In reality – if the decision was taken to pursue a partnership with a strategic provider, either on a police only basis, or as a broader emergency service, it is envisaged that this internal supplier structure could be in place for up to 3 years as the interim solution.

3.6.4. Advice received regarding budget setting for NPAS next year indicates it is now too late to institute a new funding formula in time for the beginning of the 2020/21 financial year. It is therefore proposed that NPAS should apply the contribution for each force based on 2019 ACS data – but then release forces from similar task based measures that would be used to define their contribution from 2021. Forces could then be allocated a set number of flying hours that equates to the value of their ACS contribution – to use as they see fit and thereby maximising the potential for further tasking.

3.6.5. The diagram overleaf illustrates the trend of reducing productivity/increasing costs over time for air support.



3.7 Governance and Delivery Model

3.7.1 It is proposed that governance structures are aligned to accord with the outcome of the joint APCC/Home Office/Specialist Capabilities and NPCC work focused on how best to lead collaborated functions. This being a 3 tier structure that could be applied to either a standalone police air support (as is) model, or to an internal/external service supplier service to regions:

- 3.7.2 **Existing:** Policing Board - chaired by the Home Secretary – includes NPCC, APCC and Home Office. Provides strategic overview of policing, but has no current oversight of police aviation.
- 3.7.3 **New:** Aviation Management Board – chaired independently. (Independent chair to be sought) Includes WYP PCC and NPCC Aviation lead. Includes drone governance. Owns and leads delivery of the Police Aviation Strategy.
- 3.7.4 **Adaptation:** Local Board/Service Delivery Board – *chaired by WYP PCC* – focused on the operation of NPAS by WYP. Flexible to change of operator or aviation delivery model.
- 3.7.5 It is proposed that Regional User Groups and the Independent Assurance Group would be replaced by existing Regional Collaboration Boards, where aviation would become an added area of business. Each NPCC region would then have a Chief Officer and PCC representative at the Aviation Management Board. Local variation may apply where forces choose to use other regional meeting structures.
- 3.7.6 The full report arising from this work is available at **Appendix A**.
- 3.7.7 A full list of recommendations is shown at **Appendix B**.

4. DECISIONS REQUIRED

4.1 Chief Constables' Council is invited to determine the following:

- 4.1.1 Re-confirm its commitment to the continuation of the current S22 Air Support collaboration involving *all* forces.
- 4.1.2 Give outline support for the interim optimisation of the current base locations, aircraft deployment configuration and operational processes. (Recommendations 1-23)
- 4.1.3 A preferred method of future funding. (Recommendation 24-27)
- 4.1.4 An interim approach to funding for 2020/21. (Recommendation 28)
- 4.1.5 A future delivery model for air support services. (Recommendation 29)
- 4.1.6 An accompanying governance structure to lead the future delivery of all forms of police aviation. (Recommendations 30-37)
- 4.1.7 Commissioning of the Aviation Programme team to produce within 3 months a detailed, costed business plan of the Council's preferred option of delivery model and accompanying funding structure. This work would engage with NPAS, APCC and the Home Office as well as involving detailed discussions with forces regionally to specify the scale and cost of services. (Note: *This team is already funded until April 2020*)

Name: **Rod Hansen** MBA, BSc (Hons), Dip Appl Crim

Title: **Chief Constable of Gloucestershire NPCC Aviation Lead**
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