

The Home Office's oversight of forensic services

December 2014

Introduction

1. The publicly-owned Forensic Science Service, which previously provided police forces with the majority of their forensic services, closed in 2012. The Home Office currently manages a national forensics framework which allows police forces to purchase forensic services from private sector suppliers. In 2013 the House of Commons Science and Technology Committee (the Committee) issued a report on the state of forensic provision in England and Wales.¹ Issues the Committee identified in its report included:
 - The lack of data on the overall size of the forensics market and the proportion of this delivered in-house by police force laboratories.
 - The lack of consistent accounting practices across police forces in England and Wales, making it challenging to get a complete picture of forensics expenditure.
 - The lack of an official strategy to ensure the forensic market is in good health, both in the short and long-term.
2. In response to a follow up request from the Committee, the National Audit Office has reviewed:
 - The data available to the Home Office to help it oversee the forensics market.
 - The adequacy of the data the Home Office has available.
 - Current trends in the forensics market and the associated risks and benefits.
 - The Home Office's response to the Committee's previous recommendations on this matter.
3. We conducted 12 interviews with staff at the Home Office, the Forensic Science Regulator, police force representatives, private sector suppliers, the Chartered Institute of Public Finance and Accountancy (CIPFA), the Forensic Science Society and academics. We also reviewed a selection of documents, publicly-available data on the forensics market and the Home Office's management information.

Key findings

4. **The data available publicly on forensics spending is limited. The information that is available is incomplete, inconsistent and/ or difficult to access.** The Committee's report on Forensic Science published in July 2013 identified issues with the consistency

¹ *Forensic Science*, House of Commons Science and Technology Committee, Second Report of Session 2012-13, HC 610, July 2013

and detail on forensics expenditure contained in police force accounts. We found that police force accounts contain a figure for overall investigative support, but did not give detail on internal and external forensic services expenditure. Separately, only one national level dataset collected by CIPFA covered police forces' internal and external forensics expenditure. This provides high-level visibility on aggregate expenditure, but no detailed data on prices and costs. Furthermore, while CIPFA issues guidelines on how police forces categorise their forensic expenditure these can be interpreted differently at the local level, making it challenging to do cross-police force comparisons.

5. **The Home Office collects a range of data on forensic services procured externally by police forces through the national forensic framework.** The Home Office manages a national forensic framework that the 43 police forces in England and Wales can use to purchase forensic services from private sector suppliers. It collects a range of data on framework activity, including expenditure, speed and quality of service, market size and supplier market share.
6. **The Home Office has very little data on those forensic services police forces purchase outside the framework.** Use of the framework is not compulsory as the Home Office considers decisions about how to purchase forensic services should be made locally by police and crime commissioners and chief constables. The Committee's 2013 report emphasised the need for the Home Office to have good data on all aspects of the forensics market, not just activity on the framework. The Home Office does not consider, however, that non-framework activity is within the remit of the forensic marketplace management team and does not collect detailed data on forensic services procurement that takes place outside the framework.
7. **Police forces are undertaking more forensics work internally and this could undermine the market.** Expenditure on private sector forensic services through the framework has declined significantly, to around £60 million a year. Some of the fall is attributable to budget cuts, falling reported crime levels and police being more careful with what specific forensic tests they purchase, but some police forces have shifted their forensic spending from external private suppliers to their own in-house laboratories. Private sector companies are concerned that police force laboratories may be able to operate more cheaply by using police premises without charge or by delaying meeting UK accreditation standards (suppliers of forensic services told us significant investment is needed to attain and sustain the required ISO 17025 standard for forensic services suppliers).
8. **The forensic science regulator has no statutory powers to enforce compliance with quality standards.** The regulator sets the standards that all suppliers of forensic services should meet, both public and private, but it has no statutory powers to ensure laboratories are compliant with those standards.
9. **The Home Office has not produced a strategy for forensics.** Participants in the forensics market agreed with the Committee's previous recommendation that having a central forensics strategy that sets out how the market should work would provide clarity

and certainty. The Government committed to drafting a strategy in November 2013 but it is not yet complete.

The forensic services landscape

10. All of the 43 police forces in England and Wales purchase forensic services, such as fingerprint and DNA analysis, to help them investigate crimes. Previously the majority of these forensic services were delivered via the publicly-owned Forensic Science Service (which closed in March 2012). The rest were delivered either by private sector companies or in-house police laboratories.
11. The Home Office forensic marketplace management team has, since 2008, run national forensics frameworks to allow police forces to purchase forensic services using standard contracts with previously agreed terms and conditions. The framework is scheduled to run until 2016. Forensic services are categorised into 13 lots (e.g. DNA, drugs, footwear, and toxicology) and there are 11 approved private sector suppliers to the framework. The Home Office collects and distributes data on the services provided, notifies and prepares forces for upcoming tenders, builds relationships with private sector providers, and helps deal with formal contract management and resolving any issues that arise.
12. Home Office data shows that forensic services purchased through the framework totalled approximately £60 million in 2013-14. Forensic services are also provided by in-house police force laboratories, or through separate local arrangements between police forces and private suppliers. Police forces are responsible for identifying and procuring appropriate forensic services to meet their needs, and the day-to-day management of contracts.
13. There is no standard model of forensics provision and local forces are free to make their own decisions on how to purchase services. Police forces do not have to explain the rationale for their decisions to the Home Office. The Home Office does not provide any oversight of forensics work outside of its framework and its responsibility for forensic services is limited to managing the framework. There is an independent Forensic Science Regulator who is responsible for ensuring that providers of forensic science services are accredited to the appropriate standard (ISO 17025), but the regulator has no role in how the market operates. Instead its focus is on ensuring that suppliers are meeting appropriate scientific quality standards.

There is limited data available publicly on forensics spending. This data is incomplete, inconsistent and difficult to access.

14. There are three major sources of data on forensics spending available to the public. The first is Police Objective Analysis (POA) data produced by CIPFA. Each year CIPFA surveys all police forces in England and Wales about their expenditure.² The final dataset – available by subscription – can be broken down by force, by type of expenditure (staff and non-staff costs) and business area. Data on investigative support can be broken down into 6 categories:

- External forensics costs
- Scene of crime officers
- Fingerprint/ internal forensic costs
- Photographic image recovery
- Other forensic services
- Investigative support command team and overheads

15. The CIPFA data shows how much police forces are spending on forensics in aggregate, but not how much they are paying for services, the specific supplier providing them or other measures of service quality or market stability. Furthermore, while CIPFA produce guidelines on what forces should include under each category, these can be interpreted differently, resulting in data that is not always comparable across forces. For example, one force might include overall estate costs in the overhead category, another might not. This lack of consistency makes it challenging to do cross-police force comparisons of forensic services expenditure.

16. The second data source we identified - police annual accounts - does not provide sufficient detail to allow robust analysis of police force forensics expenditure. As with the CIPFA data, forensic expenditure was classified as investigative support in the annual accounts of each police and crime commissioner. Total investigative support expenditure for 2013-14 was £405 million, but this includes a range of costs (such as support costs and overheads) as well as internal and external forensic services expenditure. We did not identify a breakdown of this figure into its constituent parts, including internal and external forensic spend, for those police force areas we examined.

17. The third source is the data published locally on the websites of police and crime commissioners and police forces. The Police Reform and Social Responsibility Act 2011 (which created the post of police and crime commissioner) requires police forces to publish specific pieces of information to allow the public to assess how their commissioner/force is performing. For example, police forces have to disclose any expenditure of more than £500 with a third-party supplier.³ This dataset provides only limited oversight of the forensics market as:

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http://www.cipfastats.net/publicprotection/policeobjectiveanalysistool/default.asp?view=commentary&year=2013&content_ref=16936

³ The Elected Local Policing Bodies (Specified Information) Order 2011.

- a. Police forces only have to publish details on contracts with external suppliers, thereby excluding internal forensics services.
- b. Data is extremely fragmented and spread across multiple documents. Each police force lists its expenditure individually, through separate quarterly reports. We estimate you would have to examine 372 documents to pull together annual external expenditure on forensics across all the police forces in England and Wales.

The Home Office collects a range of data on forensic services procured by police forces through the national forensics framework

18. The Home Office collects a range of data on forensics services procured through the national forensics framework, including:

- a. **Police force expenditure.** The Home Office contracts a private company, Bravo Solutions, to collect and process data on police forces' external expenditure (including spending with private suppliers on and off the framework).
- b. **Market size and supplier.** The Home Office has a case management system called the Forensic Management Information Tool (FMIT) which downloads expenditure and performance data from forces operating on the framework, by type of work and supplier.
- c. **Supplier monitoring data.** The Home Office team managing the national forensics framework contact all police forces and suppliers each month to collect data and identify issues. Data collected includes capacity, performance against quality measures like turnaround times, accreditation status and company financial health (the team told us they examine company financial data to identify potential risks to supply). This information is collected into monthly monitoring reports, which contain red-amber-green ratings on contract capacity and turnaround times, service provision and quality/ accreditation. The Home Office assigns red-ratings to any issue that affects multiple forces and may therefore require a national-level response. This data is broken down by type of work (lot), supplier/region and force region.
- d. **Pipeline monitoring data.** The Home Office team collect data on upcoming contract renewals and tenders and distribute it to companies so they are aware of bidding opportunities.

19. We found there were some issues with these data sources, including:

- a. There is no standard finance system across the 43 police forces and no national agreement on what should be included in the definition of forensics. The Home Office told us that it is hard to understand and interpret the data it collects on police expenditure without prior experience and knowledge. Separately, the expenditure data is classified by supplier occupation, so if a supplier is classified as a supplier of forensics all services it provides will be classified as such, regardless of whether they are forensics-related. This means estimates of expenditure could be inflated. The result of this ambiguity is there is no single agreed figure for external third party forensics spending. The data collected by Bravo Solutions records a figure of £80 million in 2013-14 while equivalent CIPFA data showed spend was £91 million.
 - b. The Home Office does not consider it needs oversight of forensics work undertaken outside the framework as this is beyond the remit of the Home Office marketplace management team. Accordingly police forces do not have to provide data to the Home Office and can tell their suppliers not to share data with the Home Office. Nor are police forces obliged to respond to the Home Office's requests to provide data for its monthly reports.
20. We were told that the monthly monitoring reports were distributed to the national lead for forensics, the DNA database lead and deputy director of commercial policy within the Home office, the Association of Chief Police Officers (ACPO) forensics lead, and the Forensic Science Regulator. They are also discussed at a quarterly stakeholder group chaired by ACPO.

The Home Office has access to very little data on those forensic services police forces choose to undertake internally

21. Since the Home Office only collects data on forensics services supplied or purchased through the framework, it does not have data on local agreements that police forces have made with suppliers, or where police forces have set up their own laboratories to undertake forensics work in-house.
22. CIPFA data suggests the overall size of the in-house police market will be £122 million in 2014-15.⁴ This data cannot be broken down further, for example, by supplier or type of work, and we were unable to identify any other sources of data on the internal forensics market. Expenditure data collected by the Home Office only covers external expenditure, as do the requirements to publish data locally. The current position on the data available is set out in **table 1**. The Committee was concerned about the Home Office's lack of data on in-sourced forensics expenditure when it last examined this subject in 2013⁵, but we found no significant changes have been made since.

⁴ A total figure consisting of the following categories: fingerprint / internal forensic costs, photographic image recovery and other forensic services.

⁵ *Forensic Science*, House of Commons Science and Technology Committee, Second Report of Session 2012-13, HC 610, July 2013

Table 1: Summary table of the data collected.

	Category of information used to monitor or purchase forensics services	Why is it useful?	Available for framework suppliers (publicly or via Home Office)?	Available for non-framework suppliers (publicly or via Home Office)?
1	Historical spending data by forces (preferably going back 5 years)	To estimate overall size of the forensics market.	Yes, through multiple sources (CIPFA, Home Office data)	Yes (CIPFA)
2	Planned, future demand and expenditure, by type of work, preferably for the next 3 years.	Suppliers need to know this to calculate future spending/investment plans.	Partially – pipeline data shows upcoming tenders but not overall expenditure plans	No
3	Total capacity, by type of service/work	To allow oversight of whether there is sufficient capacity to cope with the amount of work.	Yes, through supplier monitoring data	No
4	Market share and number of suppliers	To allow oversight of whether the market is sufficiently competitive and whether it is too reliant on a single supplier.	Yes, through the Home Office Financial Management Information Tool	Partially, the Home Office asks for data but forces and their suppliers are not obligated to provide it.
5	Prices and costs for individual services.	To determine which suppliers are cheapest and most efficient.	Yes, through prices/costs bid at tenders.	No
6	Performance against measures of quality like turnaround times.	To see how individual suppliers are performing on other aspects of service.	Yes, through supplier monitoring data	Partially, the Home Office asks for data but forces and their suppliers are not obligated to provide it.
7	Service quality and management	To gauge customer service.	Yes, through supplier monitoring data	Partially, the Home Office asks for data but forces and their suppliers are not obligated to provide it.
8	Quality management and accreditation, both degree/type of accreditation and timetable for achieving it.	To ensure those doing the work are qualified to do so.	Yes, suppliers have to provide proof of accreditation or plans before they can provide framework services	Partially, we were told the regulator receives information from forces. But it has no statutory powers to collect data.
9	Security (physical buildings and exhibit handling)	To ensure that there is no breaches of either security or legal process that might jeopardise cases.	Yes	No

10	IT security	See 9.	Yes	No
11	Companies' overall financial status	To ensure that they are viable and able to provide services over the life of contracts and cases.	Yes	Unknown
12	Business continuity and disaster recovery arrangements	To ensure that in the event of business failing it will not jeopardise ongoing cases.	Yes	No

Source: Home Office, police forces, the Forensic Science Regulator, private sector providers and academics.

23. The Home Office has set out its reasons for not collecting data on non-framework and internal forensic services market in a number of documents including its response to the Committee's report⁶. They include:

- a. **Local autonomy.** Police and crime commissioners are responsible for holding chief constables to account both for their spending decisions and the production of information, not the Home Office. The Home Office has powers to mandate police forces to produce data or use procurement frameworks but has chosen not to exercise them in this case.
- b. **The Forensic Science Regulator monitors the quality of forensic services provided.** The Home Office considers any concerns over forensic service quality and accreditation of suppliers, both internal and external, should be directed to the Forensic Science Regulator, not the Home Office.
- c. **Unnecessary bureaucracy.** The Government wishes to avoid imposing unnecessary bureaucracy on police forces. Collecting data on the split between external procurement of services and the cost of supplies purchased for activities which have never been outsourced, or to determine which of their scientific staff worked in areas that may have previously been outsourced, would place a disproportionate bureaucratic burden on police forces.
- d. **Spending data is already available.** Police force accounts already report actual spending against budgets. The police report on the cost of supplies and services categorised by the police activity to which they relate and data on spending is collated by CIPFA.

⁶ The Government response to the second report from the House of Commons Science and Technology Committee, Cm 8750, November 2013

There are concerns that police forces undertaking more forensics work internally could undermine the market

24. Stakeholders expressed a range of concerns regarding the future of the forensics market. One concern was the shrinking size of the external market which CIPFA estimates has decreased from £104 million in 2012-13 to an estimated £81 million in 2014-15. Some shrinkage is to be expected given the fiscal challenge facing police forces and the drive for police forces to act as more intelligent customers. For example, forces would previously have told forensic services to test a sample for everything, but they now tailor the tests they request to the case they are making, and the number of forensic submissions have reduced accordingly.
25. It appears that some of the market for forensic services has shifted from external suppliers to in-house laboratories. CIPFA data for 2013-14 shows only one police force entirely outsourced its forensics work. Non-framework expenditure on forensic services is much less visible than expenditure through the framework, but CIPFA data shows that unlike the external market, the internal market has grown slightly from £113 million in 2012-13 to an estimated £122 million in 2014-15.
26. Stakeholders we spoke to broadly agreed there was a risk that a major supplier could pull out of the market and we were told that some small suppliers had already exited the market. The major concern expressed by private sector companies was that there was an unequal playing field between private sector suppliers and in-house suppliers regardless of the service. Risks included:
- a. **Lack of transparent costs.** Private sector forensic firms have to reflect all their costs in tender offers, but we were told in-house laboratories can put costs onto other budgets. For example, private sector firms would have to pay for their estate out of revenues from their forensics services, but police force laboratories could treat their buildings as a free resource. We were not able to identify any data on internal costs to compare with the private sector.
 - b. **Accreditation.** All providers of forensic services are expected to be accredited to the approved UK Accreditation Standard (UKAS) standard (ISO 17025). The Forensic Science Regulator's role is to monitor compliance. Private sector firms have to be accredited before they can supply services through the forensics framework. However, while many in-house laboratories have or are working towards accreditation, many do not. To meet these standards forensic service suppliers have to make significant investments and the forensic science regulator is concerned that forces are viewing accreditation solely as a cost burden and consequently may delay compliance. The forensic science regulator does not yet have complete data on which laboratories are accredited. Nor does it have statutory powers to enforce compliance with quality standards. The Government issued a consultation document asking for opinions on appropriate powers for the Forensic Science Regulator in November 2013, but has not reported this yet.
 - c. **Public funding of in-house laboratories.** Some police forces have been granted funds from the Home Office police innovation fund to develop their in-house laboratories. This could potentially disadvantage the private sector.

d. **Unnecessary bureaucracy on the framework.** Each of the 13 lots on the Home Office framework had multiple job codes for individual tasks and specific terms and conditions that have to be met. This can create extra costs for both private sector firms (more paperwork) and police forces (who have to manage multiple contracts and, separately, have to deal with different suppliers for separate lots of work).

27. If suppliers did pull out of the market this could present a risk of service interruption, and lack of capacity could hold up criminal cases or cause them to collapse. Longer term, private sector suppliers told us that declining profits could make it difficult to invest sufficiently in research and development.

28. Police forces are currently the main customer of forensics services, but the benefits of robust forensic services provision are felt across the criminal justice system. For example, if a successful DNA test results in an earlier guilty plea then court costs will be saved. Documents we reviewed indicated the Government is planning to carry out analysis of the wider value for money benefits of robust forensic services provision, but we could not establish how far that analysis is complete.

29. We found that the current dataset would not provide visibility over all risks to the forensic market – see **table 2**.

Table 2: Data collected on market health and associated risks

	Category of information useful to monitor forensic market health	Why is it useful?	Is it available?
1	Total capacity, by type of service/work	To ensure there is capacity that all forensics work needed can be done, that there is no risk that forces would not be able to get work done.	Partially, this is available for framework suppliers
2	Market share and number of suppliers	To ensure that there is sufficient competition and that no forensic service is reliant on the health of one provider.	Partially. This is available for framework suppliers. For non-framework suppliers the Home Office can ask for data but forces and their suppliers are not obligated to provide it.
3	Levels of funding for R&D	To ensure that new technologies are being researched and introduced.	No
4	Number of qualified forensics professionals, including university places.	To ensure that there are sufficient numbers of forensics experts now, and in the future.	No

30. There was consensus amongst stakeholders we spoke to that there was a need for a clear forensics strategy outlining how the Home Office expects the market should work and how the needs of police forces, private sector companies and other stakeholders will be balanced in the long-term. This would provide greater certainty over market structure and allow companies to invest with more confidence. In November 2013 the Home Office committed to develop a national forensics strategy in response to the Committee’s report, but this has not been completed.

The Home Office's response to Committee recommendations

31. The Committee published its report on forensic science in July 2013⁷ in which it made a series of recommendations. The Home Office responded to the Committee's report in November 2013 outlining the extent to which it agreed or disagreed with its recommendations, and outlining actions to address concerns.⁸ We have looked at how the Home Office responded to 3 of these recommendations (those most relevant to our follow-up work), covering police expenditure and the Government's strategy for forensic science.

Police expenditure

3. We were disappointed that the Government appeared to rely on beliefs and impressions of in-sourcing and market size rather than evidence. Without access to full police expenditure figures we are not able to draw conclusions on the extent to which police in-sourcing of forensic activities has led to a shrinking of the external forensics market. (para 17)

32. The Government responded that its policy was to avoid imposing unnecessary bureaucracy on police forces and that to collect data on the split between the external procurement of services and the cost of services which were not outsourced would place a disproportionate bureaucratic burden on police forces. It asserted that it already had sufficient intelligence on the state of the market through its contact with forces and suppliers.

33. The Government's response did not address the Committee's concerns about the quality of the evidence base for the forensics market, or the lack of access to detailed information on police forces' expenditure, and did not commit to making changes in either area. Under the Elected Local Policing Bodies Order police forces are required to publish information on each item of expenditure with external parties, but this gives no visibility over in-house forensic spending. At the time of this briefing, the Home Office does not collate information from police forces on the extent or cost of forensic activities undertaken in-house, and has no plans to do so.

4. We are concerned that the continuing uncertainty over the current and future size of the market risks undermining the willingness and capacity of private forensic providers to operate and invest in that market. The Home Office and Association of Chief Police Officers (ACPO) should immediately establish a working group to review the accounting practices of police forces to introduce consistency and standardisation. In the interests of public accountability, transparency and business planning for companies in the market, full police accounts, including all forensic science expenditure, should be published annually. Police and Crime Commissioners have a role in providing stronger and more transparent accountability of the police and should support this work. (para 18)

⁷ *Forensic Science*, House of Commons Science and Technology Committee, Second Report of Session 2012-13, HC 610, July 2013

⁸ The Government response to the second report from the House of Commons Science and Technology Committee, Cm 8750, November 2013

34. The Government responded that police force accounts were published annually and that the data was collated and managed by CIPFA. It agreed that police and crime commissioners were responsible for providing accountability for forces and noted that they would address any issues with police forces' accounting practices with the relevant force. The Government asserted that the Home Office was fully aware of the risks to the market and was in regular contact with police customers and suppliers. It explained that the national policing lead on forensic procurement held a regular forum to address any commercial issues, including potential fluctuations in the market and the plans of forces relating to forensic work.
35. The Government's response did not address the Committee's recommendation that police forces accounts should specifically include expenditure on forensic science, and made no commitment to include this in future. Police forces are required to comply with CIPFA standards when producing their accounts, but there have been no new requirements for police forces to provide specific information on the cost of forensic services.

The government's strategy for forensic science

34. Forensic science provides evidence to the CJS and therefore any Government has a duty to protect its health in the short and long term. In our view, this requires a strategy and knowledgeable Ministerial oversight. (para 113)

36. The Government responded that the lack of a written strategy for forensics did not prevent work in this area from contributing to its aim of reducing crime and bringing offenders to justice, while noting plans for a biometric and forensic strategy, to be completed by the end of 2013. The Government explained that the design and delivery of the strategy would be led by the Home Office taking into account the views of other departments, the police, the Association of Forensic Service Providers and the Forensic Science Society. As at mid-December 2014, the forensic strategy is not yet published. The Home Office expects to publish the strategy by the end of 2014.