

Annual Audit Letter

Lancashire Police Authority
Audit 2008/09
November 2009

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Status of our reports

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to non-executive directors/ members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any director/member or officer in their individual capacity; or
 - any third party.
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Key messages

This report summarises the findings from our 2008/09 audit. It includes messages arising from the audit of your financial statements and the results of the work I have undertaken to assess your arrangements to secure value for money in your use of resources.

Audit Opinion

- 1 Our work on the financial statements was completed prior to the deadline of 30 September 2009 and an unqualified audit opinion was issued on 22 September 2009.

Financial Statements

- 2 The financial statements submitted for audit were free from any material errors. The accounts were supported by good working papers.

Value for money

- 3 Our value for money conclusion was informed by our use of resources work which assesses how well the Authority is managing and using its resources to deliver value for money and better and sustainable outcomes for local people. We issued an unqualified value for money conclusion on 22 September 2009.

Table 1 **Audit fees**

	Actual	Proposed	Variance
Financial statements and annual governance statement	52,195	52,195	0
Use of Resources	27,475	27,475	0
Total audit fees	79,670	79,670	0

Independence

- 4 I can confirm that the audit has been carried out in accordance with the Audit Commission's policies on integrity, objectivity and independence.

Economic outlook

- 5 The economic downturn and banking crisis is having a significant impact on public finances and the bodies that manage them. The impact on treasury management strategies has been immediate, but there are wider and more fundamental impacts on the ability of public sector bodies to fund service delivery and capital programmes, including pressures on income streams. There are further challenges for policy priorities where patterns of demand for services are changing.
- 6 This impacts on the audit and as part of my responsibility, I have reflected on the wider environment, specific issues and risks and the Authority's response. The Authority has sound financial planning arrangements in place and needs to continue its proactive approach to emerging financial risks.
- 7 We have liaised with officers of the Authority to assess the implications of the collapse of the Icelandic Banks in terms of the investment held in Landsbanki by the Authority. As part of this we carried out an exercise to assess the Authority's treasury management arrangements. We are satisfied that the Authority has adequate treasury management arrangements in place.
- 8 We understand that the latest position is that of the £668,000 invested in Landsbanki, around 83p in the £1 may be recoverable. We will continue to monitor the position over the coming months.

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Financial statements and annual governance statement

The Authority's financial statements and annual governance statement are an important means by which the Authority accounts for its stewardship of public funds.

Significant issues arising from the audit

9 I did not identify any material or non-trivial errors in the financial statements.

Material weaknesses in internal control

10 I did not identify any significant weaknesses in your internal control arrangements.

Accounting Practice and financial reporting

11 I considered the qualitative aspects of your financial reporting. There are no issues to bring to your attention.

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Value for money and use of resources

I considered how well the Authority is managing and using its resources to deliver value for money and better and sustainable outcomes for local people, and gave a scored use of resources judgement.

I also assessed whether the Authority put in place adequate corporate arrangements for securing economy, efficiency and effectiveness in its use of resources. This is known as the value for money (VFM) conclusion.

Use of resources judgements

- 12** In forming my scored use of resources judgements, I have used the methodology set out in the [use of resources framework](#). Judgements have been made for each key line of enquiry (KLOE) using the Audit Commission's current four point scale from 1 to 4, with 4 being the highest. Level 1 represents a failure to meet the minimum requirements at level 2.
- 13** I have also taken into account, where appropriate, findings from previous use of resources assessments (updating these for any changes or improvements) and any other relevant audit work.
- 14** The Authority's use of resources theme scores are shown in Table 2 below. Detailed findings and conclusions for the three themes, and the underlying KLOE, are set out in Appendix 1 (this is the same appendix as included in our separate Use of Resources report on the Audit & Standards Committee agenda with this letter).

Table 2 Use of resources theme scores

Use of resources theme	Scored judgement
Managing finances	3
Governing the business	3
Managing resources	3

- 15** The basis of the assessment has changed in 2009 and defines use of resources in a broader way than previously, embracing the use of natural, physical and human resources. It also places new emphasis on commissioning services for local people and achieving value for money.

Value for money and use of resources

- 16** Overall the Authority has maintained its good performance under the Use of Resources assessment. I have made a small number of recommendations which are set out in my separate Use of Resources report.

VFM Conclusion

- 17** I assessed your arrangements to secure economy, efficiency and effectiveness in your use of resources against criteria specified by the Audit Commission. From 2008/09, the Audit Commission will specify each year, which of the use of resources KLOE are the relevant criteria for the VFM conclusion at each type of audited body.
- 18** I issued an unqualified conclusion stating that the Authority had adequate arrangements to secure economy, efficiency and effectiveness in its use of resources.

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Closing remarks

- 19** I have discussed and agreed this letter with the Chief Executive and the Treasurer. I will present this letter at the Audit and Standards Committee on 23 November 2009 and will provide copies to all committee members.
- 20** Further detailed findings, conclusions and recommendations in the areas covered by our audit are included in the reports issued to the Authority during the year.

Table 3

Report	Date issued
Annual Governance Report	September 2009
Use of Resources Report	November 2009

- 21** The Authority has taken a positive and constructive approach to our audit. I wish to thank the Authority staff for their support and co-operation during the audit.

Clive Portman
 District Auditor
 November 2009

Appendix 1 – Use of resources key findings and conclusions

The following tables summarise the key findings and conclusions for each of the three use of resources themes.

Managing finances

Theme score 3
Key findings and conclusions
<p>The Authority can demonstrate strong financial planning and management over a number of years within tight financial constraints, whilst continuing to deliver strategic objectives. These objectives are based on both national priorities, and local issues identified via robust and detailed community engagement across all stakeholders. There is clear evidence of the management of investment to deliver specific priorities such as neighbourhood policing and protecting people.</p> <p>The Authority and Constabulary have a detailed understanding of comparative costs and spending. Good use is being made of benchmarking and analysis of unit costs to challenge performance and this has resulted in improved services and value for money. Effective use has been made of a wide variety of alternative service delivery models to enhance capacity, improve performance and reduce costs. Joint planning and delivery of services is helping to deliver economies of scale and boost capacity. For major decisions there is evidence that the Constabulary has taken account of wider social, environmental and economic factors although more needs to be done to build sustainability into commissioning and procurement practices.</p> <p>Budgets are devolved and divisional commanders are given the flexibility to engage with local people in their areas and shape local priorities accordingly. There is an appropriate level of scrutiny of expenditure by both senior officers and members. The Authority has a strong track record of managing resources within budget and this is supported by timely and reliable financial monitoring information for both members and officers. There is clear identification of variances and action plans are used to bring budgets back into line whilst still</p>

delivering planned objectives and without impacting on other areas. The Authority and Constabulary provide information in alternate formats to the community and there is evidence of positive feedback in relation to this.

KLOE 1.1 (financial planning)

Score

3

VFM criterion met

Yes

Key findings and conclusions

The Authority's Medium Term Financial Strategy is comprised of a number of aspects. The 5 year financial forecast (MTFF) is updated regularly through the year. It reflects future implications of known issues together with an estimate of continuing efficiency savings and growth areas for each year. This is underpinned by a clear approach to identifying and achieving efficiency savings with quarterly monitoring of progress. Growth items are clearly linked to priorities and there is a rigorous process for approval. The capital programme forecasts over 5 years and is underpinned by separate comprehensive ICT and Estates strategies. The MTFF and capital programme link to key strategic objectives, and take account of local improvement and national priorities. There is clearly understood and firmly managed DFM scheme which requires budget holders to manage budgets within the bottom line.

The Blueprint document is reviewed annually to re-appraise priorities with a clear assessment of the funding gap to tackle areas requiring new investment. Robust financial planning has enabled the Authority to reduce the funding gap and plan for new requirements which need funding in the future. Quarterly performance reviews take place with each division. There is detailed discussion of operational performance and financial performance enabling these to be considered together and ensuring financial 'restrictions' are not having a negative impact on operational performance.

Lancashire Police Authority has a consistent record of delivering strategic objectives within tight financial constraints. Resources are allocated to priorities and are adapted to address emerging issues throughout the year. There is evidence to demonstrate this has a positive effect, for example halting the increase in gun crime in a specific division. Corporate business planning and financial planning are clearly linked and are supported by a strong performance management.

There are numerous and strong examples of community engagement across all groups within Lancashire. HMIC have highly praised Lancashire's approach and achievements in neighbourhood policing and citizen focus policing. The 'Investment in Policing' project won the 2008 Community Engagement Scrutiny Award from the Centre for Public Scrutiny.

There is a strong track record of managing resources within budget, supported by timely and reliable financial monitoring information. There is clear identification of variances and action plans are used to bring budget back into line, whilst delivering planned objectives and

Appendix 1 – Use of resources key findings and conclusions

without impacting on other areas. The flexibility provided by DFM schemes helps police commanders to target local priorities in partnership with local communities and has helped to support the approach to neighbourhood policing.

The Audit and Standards Committee provides a strong challenge to officers. Matters are referred on to the appropriate committee as required and additional groups have been set up to ensure a robust challenge is provided both in terms of finance and governance. This can be demonstrated to have driven forward improvement in these areas. Members are involved in providing scrutiny in terms of financial matters including value for money and affordability. There is evidence to show that this scrutiny has an impact, with the capital programme being reassessed in light of the current economic climate to prioritise committed and essential schemes. Lancashire Police have assessed their website for accessibility. Arrangements for Treasury management are sound and have recently been reviewed by Internal Audit and by the Authority.

KLOE 1.2 (understanding costs and achieving efficiencies)

Score

3

VFM criterion met

Yes

Key findings and conclusions

The Authority and Constabulary have a detailed understanding of comparative costs and spending. The impact of external factors such as deprivation levels have been assessed and managers and members are using this information to better understand the links between costs and the outputs and outcomes achieved. In overall terms and compared to its MSF, Lancashire is a comparatively low cost high performing Constabulary. Good use is being made of benchmarking and unit costs to challenge performance and value for money. Analysis and use of transaction costs has resulted in improved services and value for money in priority areas. There is evidence that the Authority and Constabulary take action to address unintended high spending where it occurs.

Performance management arrangements are good, are integrated with financial reporting and support the monitoring and improvement of services. A planned programme of organisational service reviews is delivering benefits. The Constabulary's sustaining excellence programme introduced in 2008/09 is already having impact. Evaluation of QUEST 1 for example has reduced the number of non attending calls by 21.2% and QUEST 2 is on track to deliver savings in the region of £2m following changes to crime recording systems.

Detailed business cases include inbuilt cost analysis and option appraisal and are clearly linked to priorities. Capital spending decisions take into account revenue implications and financial forecasts are made of the longer term impacts. For major decisions there is evidence that the Constabulary has taken account of wider social, environmental and economic factors although more needs to be done to build sustainability into commissioning and procurement practices.

Appendix 1 – Use of resources key findings and conclusions

The Authority and Constabulary have a very clear understanding of the role of partners in providing services that will positively impact on local outcomes. Effective partnership working particularly through the LSP has delivered improved outcomes and value for money in priority areas. Effective targeting of efficiencies has helped to ensure that efficiencies can be achieved and priorities delivered. A variety of alternative delivery models have been used to enhance capacity, improve performance and reduce costs. Root and branch reviews undertaken in key services have improved value for money. Business transformation, restructuring, outsourcing, shared services and collaborative procurement are routinely being used to challenge costs, performance and value for money.

KLOE 1.3 (financial reporting)

Score

3

VFM criterion met

Yes

Key findings and conclusions

Budget monitoring information is produced monthly and a comprehensive pack of information is provided to budget holders including projections of expenditure. Internal reporting is accruals-based and budget holders get sufficient information to link between the budget, forecast expenditure and the end-of-year actual position. Budget holders have dedicated accountants to assist them through the process and produce ad-hoc reports to enable further analysis. This process enables the identification of variances, action plans to be put in place at an early stage and the budget brought back into line.

Chief Officers receive summary financial information on a regular basis and can access their summary budget position directly on the intranet. Police Authority Members receive quarterly reports through Resources Committee and Human Resources Committee which include details of performance against the relevant budget heads; together with explanations for variances, which include relevant non-financial information. The monitoring process includes modelling of the impact of forecast spending on the level of reserves and balances. Monitoring is used to ensure financial planning remains on track to deliver service priorities.

The operation of the DFM scheme and Quarterly Performance Reviews (QPRs) helps to ensure a rigorous approach is taken to variances and performance is monitored throughout the year down to divisional level. QPRs are attended by Chief Officers and members and consider both operational and financial performance. There is clear evidence of this process being used to address variances and bring performance back on track. Strategic Tasking & Co-ordination Group scrutinise performance on a monthly basis. Detailed monitoring of the Police Authority budget takes place, including projections of the likely year-end position and setting out where there is appropriate planned use of reserves to support agreed investment.

There are training and support programmes in place for constabulary officers and members receive specific financial training as part of

Appendix 1 – Use of resources key findings and conclusions

their induction. Levels of support are being reviewed to assess the provision of these services and identify areas to improve value for money.

The Authority has a detailed closedown plan in place to ensure that the preparation of its accounts is delivered within the required timescales and to the required quality. Accounts have consistently been produced on time and to a high standard.

The website of the Authority is available in British Sign Language, large print, text version, and read aloud facility. There is a contact number given for access to alternative formats. A video and audio library is available which includes for example, an audio version of the council tax leaflet and a video on work with the Safer Lancashire partnership. The website of the Constabulary has large print or read aloud versions. There is clear evidence Lancashire Police have assessed their website for accessibility via consultation with the public including disabled users and used this to redesign the website receiving positive feedback.

Governing the business

Theme score 3

Key findings and conclusions

The Policing Plan sets out a very clear vision and understanding of local policing priorities. There is a good understanding of diverse communities and targeted responses through neighbourhood policing are delivering benefits. Procurement is linked to wider policing priorities, and improvements in value for money from both strategic and low cost procurement activity can be demonstrated. However, the existing purchasing policy and procedures were developed in January 2005 and now need updating. The Constabulary has recently purchased the police i- procurement package and subscribes to the Police Blue Light e-tendering package but there is scope to do more to secure the full benefits of these packages.

Arrangements for collecting, recording and reporting data are integrated into business planning and management processes. The Authority and Constabulary use performance data as part of routine performance monitoring arrangements to focus attention on under-performing service areas.

The Authority promotes the ethical agenda and has developed a joint assurance framework with the Constabulary. A joint working group has been established to ensure compliance with the principles of good governance and oversee any development in this area. Members receive comprehensive training when they join the Authority including ethics training. The Police Authority and Constabulary are clear

about their joint goals and ambitions.

Although good outcomes from partnership working can be demonstrated, there is scope to improve partnership governance arrangements. The Authority is in the process of developing a corporate framework for the management of the Constabulary's major partnerships. This includes assessing the benefits of partnership activity and developing effective systems to monitor the Authority and Constabulary's involvement in partnerships and the value they are adding to the achievement of policing objectives. The Authority should ensure there are formally documented governance arrangements in place for all significant partnerships.

A risk management policy is in place and there are arrangements to identify and manage risks across the organisation and corporately. There is clear ownership of risk at all levels across the Constabulary and the Authority is represented at senior level at the Planning Working Group (which has responsibility for overseeing risk management). A high priority and profile is given to anti fraud and corruption within the Constabulary and PSD work to further promote this. The Constabulary's operational partnerships have been mapped and a risk matrix produced although there is some further work required to fully embed the principles of risk management within partnership arrangements.

KLOE 2.1 (commissioning and procurement)

Score

3

VFM criterion met

Yes

Key findings and conclusions

The Policing Plan sets out a clear vision and understanding of local policing priorities. The Authority and Constabulary have a good understanding of diverse communities and targeted responses through neighbourhood policing are delivering benefits. In September 2008, HMIC assessed the Constabulary's neighbourhood policing as exceeding the standard. Neighbourhood management is linked to wider regeneration and deprivation issues. There is effective engagement at neighbourhood level with local people. Morecambe Bay incidents and Bike Safe initiatives targeted specific community concerns in Western Division. The IMAMS Forum has been identified as national best practice by the National Community Tensions Team. Street meets, door knocks and local surgeries are being used to engage with local people and identify concerns. The Constabulary has won a national award for engaging young people for its 'lima charlie website' and the Youth and School PACT which has had some success in dealing with bullying. The Constabulary is working hard to engage with other hard to reach groups such as travellers, the polish community and people with disabilities.

The Constabulary has adopted the ACPO National Procurement Strategy to 2011. A Constabulary purchasing policy and plan are in place. However, it is recognised that the existing purchasing policy and procedures were developed in January 2005 and now need

Appendix 1 – Use of resources key findings and conclusions

updating. Improvements in value for money from both strategic and low cost procurement activity can be demonstrated. In 2008/09, savings of £1.670m were secured as a result of establishing/renewing local and regional contracts and taking advantage of national contracts and frameworks. Shared service and other partnering arrangements have been used effectively to deliver improved services for local people. Last year savings in excess of £1.5m were delivered from collaborative contracts. The Constabulary has recently purchased the police i- procurement package and subscribes to the Police Blue Light e-tendering package – however more needs to be done to secure the full benefits. The Constabulary does not have an agreed e-procurement strategy and no use has been made of e-auctions as a means of challenging value for money.

Sound processes for internally reviewing vfm have led to improvements e.g. service improvement projects (OSR) and operational improvements (e.g. QUEST, custody, crime recording). Areas of high spending are subject to scrutiny.

There is evidence that the Constabulary is taking into account diversity and equality in its contract and procurement activity. An environment strategy has been developed. The Constabulary's carbon footprint as measured against ARVAL reduced by 5.9% in 08/09 in comparison with its benchmarked fleet size. In 2008/09 the Constabulary achieved an 80% pass rate as measured by the Energy Efficiency Accreditation Scheme.

KLOE 2.2 (data quality and use of information)

Score

3

VFM criterion met

Yes

Key findings and conclusions

Arrangements for collecting, recording and reporting data are integrated into business planning and management processes. The importance of data quality is actively promoted across the Constabulary. An Information Management Strategy & Data Sharing Policy has been developed. A Disclosure Policy is in place. This has been recognised as good practice and adopted as the national template in the MOPI framework.

Information sharing agreements are in place for significant partnerships and the multi-agency data exchange policy has been in place since 2003 and applies to all instances of external data sharing. Roles and responsibilities for ensuring data quality have been clearly defined. Training is provided to staff with specific data quality responsibilities and for senior officers. A comprehensive and well resourced data quality audit programme is in place.

Some innovative marketing material has been developed, particularly in relation to the CALMS initiative and has received national recognition. An emphasis on data quality combined with selective detailed checks of PIs by data protection unit staff is helping to improve the accuracy of reported data. The Information Assurance Service and RRD team have a structured approach for information review

across the Constabulary. Detailed process documents have been produced for key systems. Incident and crime data are regularly monitored and audited for compliance with the National Standard for Incident Recording and the National Crime Recording Standard. The Constabulary is currently 73% compliant with the MOPI standards (7th highest nationally) and has an achievable MOPI Force Action Plan and Compliance Matrix to achieve full compliance by mid 2010. CSP compliance is currently 76% with a Force Action Plan to achieve 95% by mid 2010. In its recent MOPI Peer review 4, the Constabulary received extremely positive feedback from the IMPACT team & was cited as good practice.

The Constabulary has identified senior management ‘Systems Owners’ for all key systems and Risk Management Accreditation Document Sets (RMADS) are being developed to identify the business needs for systems, systems users, information security risks and mitigation factors, protective marking and business continuity plans.

There is a strong performance culture within the Authority and Constabulary linked to the delivery of key priorities. The Authority and Constabulary use performance data as part of routine performance monitoring arrangements to focus attention on under-performing service areas. Quarterly Performance Reviews of territorial divisions are conducted by the Assistant Chief Constable. Performance against priorities is reported to the Police Authority quarterly via the performance bulletin. Action plans are integral to performance management and under-performance results in officers being invited to attend scrutiny committees to provide explanations. This focus on under performance is helping to drive up service performance and value for money in key priority areas.

KLOE 2.3 (good governance)	
Score	3
VFM criterion met	Yes

Key findings and conclusions

Working relationships between the Authority and the Constabulary are excellent. There are good working relationships with partners which have a real impact for the communities in the area. There is senior representation on all of the CDRPs from both the Constabulary & Authority. HMIC have praised Lancashire's partnership working in terms of achievements in Neighbourhood Policing.

Members receive comprehensive training including ethics training and all modules are delivered within 6 months of appointment. Members have personal development plans and they provide a high level of scrutiny to officers. The Authority promotes the ethical agenda, for example, lay members observe authority meetings and report back to the Audit & Standards Committee.

The Authority and Constabulary have developed a joint assurance framework and a joint working group ensures compliance with the principles of good governance. The Constabulary has a well established process for the appointment of ACPO officers. All posts have a

Appendix 1 – Use of resources key findings and conclusions

role profile and person specification with competencies tailored to the portfolio. There is an established and robust PDR system.

The Authority and Constabulary are committed to engaging with stakeholders and using this engagement to shape their future priorities and ambitions. There are clear examples of engaging with a wide range of stakeholders to ensure plans and priorities are widely known and understood. HMIC’s report on Neighbourhood Policing and Developing Citizen Focus Policing graded Lancashire as ‘exceeding the standard’ for both neighbourhood policing and citizen focus - the only Constabulary in the country to achieve this. Public confidence levels are good.

The Police Authority and Constabulary are clear about their joint goals and work together to achieve priorities. An example is the approach taken to determining policing priorities for Lancashire through “Blueprint”. The Authority and Constabulary were both very clear about what they wanted to achieve in respect of protecting key services and put in place Blueprint as a plan for achieving those objectives. By working together to use a combination of revenue from the Council Tax and efficiencies in less essential areas in the Constabulary, the gap in protective services has been reduced from almost £20m in 2006 to around £7m in 2009 – supporting the priority of Protecting People. There are a number of examples of Lancashire Police using innovative solutions to deal with problem areas/issues and of these solutions having real impact for the local community. Moppin Up Dodge project won Home Office and European Crime Prevention awards.

Codes of conduct are in place. Scheme of delegation, standing orders, contract standing orders and financial regulations are all in place and regularly reviewed. There are registers of interest and hospitality in place for both the Authority and Constabulary. The work of the PSD department has been rated highly by HMIC. PSD officers liaise with divisional commanders and provide them with a range of information. Complaints procedures are clearly accessible on both Authority and Constabulary websites. NFI matches are followed up appropriately and there is pro-active anti-fraud and corruption work. Clear whistle blowing procedures are in place and are publicised internally and with key external contractors. Governance arrangements for partnerships are not formally documented in all cases and the Authority is in the process of developing a corporate framework for the management of the Constabulary's major partnerships.

KLOE 2.4 (risk management and internal control)

Score

3

VFM criterion met

Yes

Key findings and conclusions

A risk management policy and process are in place. There is clear ownership of risk at all levels across the Constabulary. Divisional/departmental risk registers are monitored via quarterly performance reviews and risks from these registers feed up to the

Corporate Risk Register where appropriate. Dedicated risk registers are in place for specific projects where (for example) they deliver organisational change. The Authority is represented at a senior level on the Planning Working Group (which has responsibility for overseeing risk management). Emergency and contingency plans are in place and have been tested.

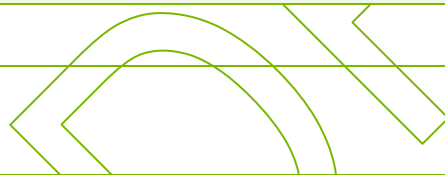
There is evidence of Lancashire Police identifying potential risks at an early stage and employing innovative solutions to address these, enabling the risk to be mitigated. For example the identification of a risk of the exploitation of children via 'missing from home' (MFH) reports in a particular area of the county, and working with multiple agencies to analyse reasons behind this and work to engage with 'at risk' children. As a result MFH incidents have dropped 36% in Eastern division in 10 months.

The Constabulary's operational partnerships have been mapped and a risk matrix produced although there is some further work required to fully embed the principles of risk management within partnership arrangements.

Members received training on risk management. Officers with direct responsibility for overseeing the risk management process have received additional external training. The Authority has an anti fraud & corruption strategy in place. Constabulary have an Intelligence & Anti Corruption Team based in PSD which has been publicised to staff. Procedures are in place for staff to report any issues including a confidential advice line.

Audit & Standards Committee is proactive in engaging with the Constabulary, authority officers, internal and external audit. There is clear evidence that the committee provides a challenge to officers. The Authority and Constabulary have an assurance framework in place. The framework includes the mapping of Authority and Constabulary sources of assurance to support the delivery of key objectives. The internal audit service is provided under a service level agreement by Lancashire County Council and operates in accordance with the CIPFA Code of Practice. Plans are risks based, drawn up in consultation with senior officers and are approved by the Audit and Standards Committee. Internal Audit has a high profile within the Authority and there is clear evidence their recommendations are acted upon. The Authority can demonstrate it has appropriate procedures in place to comply with laws and regulations.

Managing resources



Theme score 3

Key findings and conclusions

The Constabulary has arrangements in place to help ensure it has a skilled and productive workforce. Policies and procedures to ensure

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good staff management are in place and managers and staff are trained in the use of these. There are development and training opportunities to ensure that officers and police staff are capable and competent to perform their roles and respond to changing service demands.

Performance Development Reviews are embedded. There are annual costed Human Resource and Learning and Development Plans in place. Longer term workforce planning can be demonstrated in the medium term financial planning (5 years) and in plans for ill health retirements (2 years). There is currently no plan which specifically identifies staffing need over the next three to five years and how this will be achieved. There is evidence of effective engagement and consultation with staff. The approach to diversity and equality is good and is beginning to have impact with the Constabulary receiving recognition through external awards and standards.

KLOE 3.3 (workforce planning)

Score

3

VFM criterion met

Yes

Key findings and conclusions

The Constabulary has or is in the process of putting in place arrangements to ensure it has a skilled & productive workforce. A new people portfolio was established in April 2008 and is helping to foster a more strategic approach to workforce planning and organisational development across the Constabulary. A range of policies & procedures for good staff management are in place and managers and staff are trained in the use of these. Development and training opportunities are helping to ensure that officers and police staff are capable and competent to perform their roles and respond to changing service demands. Performance Development Reviews are embedded. An approach to talent management and succession planning is in place and there is evidence that this is having impact in terms of career progression and vacancy management.

Annual costed HR and Learning & Development Plans are in place. Annual corporate obligations documents set out workforce requirements at divisional level - including for example key posts to be in place, functions which must be carried out and mandatory skill requirements. However, given their annual focus, they do not in themselves set out the strategic direction of the Authority and Constabulary as regards workforce requirements for example, staffing levels, skill mix and training and development needs over the medium term (3-5 years). The Constabulary has recognised this and a specific five year workforce plan is being developed. Longer term planning can however be demonstrated in the development of the MTFS which takes account of workforce issues (five years) and also in its plans for ill health retirements (2 years).

The Constabulary's resourcing control model addresses pro-active recruitment requirements (up to 24 months ahead). The Constabulary works well in addressing the individual requirements of service redesign. Some innovative use has been made of PCSOs releasing

officers for front line duties and increasing the level of police presence on the street. The Constabulary has also embarked on 8 collaborative initiatives to improve productivity and efficiency mainly targeted in the area of protective services. Some positive impacts can already be evidenced.

Quarterly reporting to the Police Authority on workforce and productivity issues is in place. Reports are comprehensive, cover all aspects of performance and include challenge sections setting out what is being done to address poor performance. Joint quarterly performance reviews are helping drive service improvements across the Constabulary. Staff satisfaction and morale as measured by the annual cultural audit is high with low levels of turnover, grievances and appeals. Attendance management and scrutiny is effective – sickness absence is reducing for both police officers and police staff (police officer sickness absence is down from 8 days in 2007/08 to 6 days in 2008/09).

The approach to diversity and equality is strong with staff more highly skilled and the Constabulary receiving recognition through external awards and standards. A diversity strategy is in place. The Lancashire Community Cohesion Partnership has won beacon status. Preston's Imams Forum has been identified as national best practice for community cohesion by the National Community Tension Team. In June 2008, the FREDa initiative won the CIPD Police Forum best practice award for promoting equality and diversity. Progress is being made to improve the level of representation within the workforce with improvement in the number of women officers. However, despite sustained improvements over the last three years, the Constabulary is aware that more needs to be done before the diversity of the workforce is fully representative of the communities they serve.

