

Annual Audit Letter

Derbyshire 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 my 2008/09 audit. It includes messages arising from the audit of Derbyshire Police Authority financial statements and the results of the work I have undertaken to assess the Authority's arrangements to secure value for money in its use of resources.

Audit opinion

- 1 I provided an unqualified opinion on the 2008/09 financial statements on 29 September 2009.

Financial statements

- 2 The arrangements for production of the Authority's financial statements are good. The draft financial statements were produced by the target date and the working papers to support the financial statements were of a good standard.
- 3 The accounts submitted for audit were complete and did not contain any errors that affected the outturn. Nevertheless we have questioned the need for a prior period adjustment in the statements as well as a number of minor disclosure issues.

Use of Resources and value for money

- 4 Against the new Use of Resources assessment for 2008/09 the Authority has continued to perform well in comparison with other Forces but nevertheless scope for further improvements exists. My work on Use of Resources confirms the Authority has satisfactory arrangements to secure value for money.

Audit fees

- 5 I have delivered the Derbyshire Police Authority audit within the agreed fee as set out in our 2008/09 Audit Plan.

Table 1 **Audit fees**

	Actual	Proposed	Variance
Financial statements and annual governance statement	£46,100	£46,100	nil
Value for money	£31,600	£31,600	nil
Total audit fees	£77,700	£77,700	nil
Non-audit work	-	-	-
Total	£77,700	£77,700	nil

Independence

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

Financial statements and annual governance statement

Derbyshire Police Authority 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

- 7 The arrangements for production of the Authority's financial statements are good. The draft financial accounts were produced by the target date and the working papers to support the financial statements were of a good standard.
- 8 The accounts submitted for audit were complete and did not contain any errors that affected the outturn. Nevertheless I questioned the need for a prior period adjustment (PPA) in the statements relating to the East Midlands Special Operations Unit (EMSOU). My reading of the CIPFA Code of Practice on Local Authority Accounting 2008 regarding PPAs is that such adjustments are only required where there is either a material error in the previous years' accounts or where there is a change in accounting practice. I do not consider the EMSOU adjustment meets either of these criteria and I recommended its removal, however the PPA was retained. This does not affect the outturn value but is nevertheless an aspect of correct accounting practice. My understanding is that the Authority preferred to retain the PPA to provide greater transparency in the accounts through the comparator values for the previous year. Additionally, this disclosure is consistent with the approach agreed by the other forces included in the EMSOU arrangement.
- 9 The audited accounts were approved by the Finance, Administration & Resources Committee at its September 2009 meeting and my unqualified audit opinion was subsequently provided.

Material weaknesses in internal control

- 10 My review found no material weaknesses in internal control.

Accounting Practice and financial reporting

- 11 I have considered the qualitative aspects of the Authority's financial reporting and Table 2 contains the issue I want to raise with you. I reemphasise that the accounts were prepared to a good standard and this relates to areas where greater transparency or consistency can be developed.

Table 2 Qualitative aspects of financial reporting

Issue	Outcome
My audit identified a number of minor disclosure items within the draft accounts for additional content in the notes to provide more transparency.	The issues were discussed with the Force's Principal Accountant and we have agreed either amendments or for further consideration of the issues in next years accounts.

Use of Resources and value for money

I considered how well Derbyshire Police 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 Derbyshire Police 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** My assessment for Use of Resources in 2008/09 is different from that undertaken in recent years. The previous test was based on ensuring policies and procedures were in place to support systems for governance and value for money. The new assessment for 2008/09 provides a more challenging test by determining the impact of these arrangements.
- 13** 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. Below provides an extract of the scoring standards.

Table 3 Use of resources scoring and expected standard

Scores	Examples of expected standard
Level 1 (failure to meet minimum requirements of level 2)	
Level 2 (meets minimum requirements -performs adequately)	<p>Arrangements, that are</p> <ul style="list-style-type: none"> • consistent with established professional practice and guidance; • meet statutory requirements; • operate effectively; and • achieve minimum acceptable levels of performance.
Level 3 (exceeds minimum requirements – performs well)	<p>Implemented effective arrangements that are:</p> <ul style="list-style-type: none"> • forward looking and proactive in identifying and developing opportunities for improvement; and • include more sophisticated measuring and assessment techniques. <p>Outputs and outcomes demonstrate arrangements which are effective and have the intended impact. Where appropriate, the arrangements show evidence of effective partnership working. Evidence of performing consistently above minimum acceptable levels and achieving value for money.</p>

Scores	Examples of expected standard
Level 4 (significantly exceeds minimum requirements – performs excellently)	Demonstrating innovation or best practice. Demonstrating strong outcomes for the community including through partnership working. Evidence of performing well above minimum acceptable levels and achieving excellent value for money.

- 14 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.
- 15 The Authority's use of resources theme scores are shown in Table 4 below. The key findings and conclusions for the three themes, and the underlying KLOEs, are summarised in Appendix 1.

Table 4 Use of resources theme scores

Use of resources theme	Scored judgement
Managing finances	3
Governing the business	2
Managing resources	3

- 16 The aggregate score for Derbyshire Police Authority for 2008/09 of level 3 is consistent with that of 21 other police authorities in England. The remaining 44 per cent of authorities were level 2. No Authorities achieved either level 1 or 4.

VFM conclusion

- 17 I assessed Derbyshire Police Authority's arrangements to secure economy, efficiency and effectiveness in its use of resources against the criteria specified by the Audit Commission. This builds upon my work noted above on the Authority's Use of Resources. As part of the assessment the Audit Commission specifies each year which criteria is relevant to my review. Details of the 2008/09 criteria together with my conclusions on each of the themes are set out in Appendix 1.
- 18 I issued an unqualified conclusion stating that the Authority had adequate arrangements to secure economy, efficiency and effectiveness in the use of resources.

Closing remarks

- 19** I have discussed and agreed this letter with the Treasurer and the Director of Finance. I will present this letter at the Corporate Governance Committee in December 2009 and will provide copies to all Authority members.
- 20** Further details of my 2008/09 audit are provided in the Annual Audit Plan 2008/09 and Annual Governance Report 2008/09 which were presented to the Corporate Governance Committee in July 2008 and the Finance, Administration & Resources Committee in September 2009 respectively.
- 21** The Authority and Force have a positive and constructive approach to my audit. I wish to thank the members, officers and staff for their support and co-operation during the audit.

John Cornett
District Auditor
November 2009

Appendix 1 – Use of resources key findings and conclusions

22 The following sections summarise the key finding and conclusions for each of the three use of resources themes for 2008/09.

1. Managing finances

Managing finances theme score:	3
Key findings and conclusions	
<p>KLOE 1.1 - DPA are proactive in management of finances and strong evidence of stakeholder consultation (this was raised as notable practice) for the road-show in late 2008 to underpin Policing Plan and precept choice 2009/10. Capital plans demonstrate regular evaluation of Performance Indicators, asset condition and replacement and fitness for purpose.</p> <p>KLOE 1.2 - DPA continues to be a low spend authority in relation to its Most Similar Family but high performing - crime 2008/09 reduced for the fifth year achieving all but one target. Procurement examples show clear outcome focus and savings past seven years circa £40m with £2m in 2008/09 eg fewer police stations. Collaboration with other forces is explored with savings of over £250,000.</p> <p>KLOE 1.3 - For 2008/09 most of the performing well criteria is being demonstrated: clear and prompt reporting but also updates to Members on wider financial issues such as prudential code and early review of the annual governance statement. Tailored reporting with capability to customise content to users needs. Preparation of accounts is to a good standard. Good accessibility of committee papers on the DPA website.</p>	

<p>KLOE 1.1 (financial planning)</p> <p>Score</p> <p>VFM criterion met?</p>	<p>3</p> <p>Yes</p>
<p>Key findings and conclusions</p>	
<p>For integrated financial planning DPA has a medium term financial plan underpinned by strong evidence of careful consideration of budget proposals and stakeholder consultation. Capital plans demonstrate consideration of performance indicators, asset condition and replacement and fitness for purpose with an underlying asset strategy for 2007/12 updated and replaced with a 2009/12 document. The medium to long term financial planning is contained within the Policing Plan which provides a three year cycle and places the budget in the context of the operational priorities, sensitivity analysis being contained elsewhere in DPA reviews such as the precept 2009/10 analysis but also other evidence of governance such as papers to committee for detailed consideration of the prudential code indicators. Engagement with stakeholders was strongly demonstrated by road show events held in late 2008 which provided for a discussion of policing priorities but also funding decisions for DPA future periods. Additional evidence of consultation is provided on the website. Managing spending is demonstrated by finance reports to each meeting of the Police Authority with discussion of variances and action taken with a small projected overspend for the year (£500k on a £157m budget). For financial governance & leadership there is evidence from the Finance Administration & Resources Committee and Corporate Governance Committee of open discussion against the financial papers and due challenge. We have proposed the stakeholder road-show and precept report as possible areas of notable practice for the Audit Commission national database.</p>	
<p>KLOE 1.2 (understanding costs and achieving efficiencies)</p> <p>Score</p> <p>VFM criterion met?</p>	<p>3</p> <p>Yes</p>
<p>Key findings and conclusions</p>	
<p>DPA has a clear understanding of costs and performance and the effect its local environment has on these. Costs are commensurate with service delivery, performance, and outcomes achieved. DPA was comparatively low spend against its Most Similar Forces whilst also reducing crime overall for the fifth year in succession and the force achieved all but one of the targets for reducing crime and increasing detection. There were more than 25,000 fewer victims of crime in 2008 than five years ago. The highest percentage of gross budget is on Police Officer costs and higher than the rest of its current comparator group. This reflects budgets designed to increase police officer numbers and focus police officers on neighbourhood policing and crime reduction work. This underpins the reduction in crime performance above and includes 11 per cent reduction in criminal damage offences and the number of antisocial behaviour incidents reduced by 10 per cent. It was clear last year that the Authority’s procurement decisions are based on achieving value for money and whole life costs and implications were clearly considered along with essential user requirements. The whole life implications of the Digital recording project to digitise custody have clearly been considered necessitating changes to the original cabling specification to ensure that potential future requirements and costs are better met.</p>	

KLOE 1.2 (understanding costs and achieving efficiencies) (continued)	
<p>Consultation with users continues to be carried out in its decision making process such as in the digital recording project and the Centralised Call Centre Management (CCMC) project. The latter is expected to give rise to a recurrent circa £2m saving (from 2009/10).</p> <p>Cost and outcomes play a fundamental part in the Force's decision making to help it ensure value for money is achieved. It applies a business case process requirement with the feasibility of major schemes needed for the project to be considered to go forward. The CCMC project required a large amount of work done to ensure that a feasible project was in place and in line with what want to achieve priority wise with clear identification of the benefits from the scheme. An accommodation project board has been administering its progress and to ensure that the project has been maintained on course and also to help decision making as the project progresses.</p> <p>Each board set up for major projects which include member representatives. Derbyshire identifies and records its procurement savings and manages the collection and reporting of the East Midlands Region procurement collaboration savings. The Force has a strong record of achieving efficiencies and overall is a lean organisation. Over the last seven years it has achieved around £40m of efficiency savings. During 2008/09 it achieved further savings of around £2m including; reducing the number of police stations; reducing the number of warranted officers and allowing an increase in the number of Police Community Support Officers and workforce modernisation of a number of police officer roles within the Protective Services Unit. The Force is actively working collaboratively to help achieve savings and efficiencies - for 2008/09 over £250,000 savings were made in building consultancy, forensics, IT hardware maintenance and regional vehicle hire.</p>	
KLOE 1.3 (financial reporting)	
Score	3
VFM criterion met?	Yes
Key findings and conclusions	
<p>In relation to the level 3 criteria (performing well) there was good evidence against most aspects.</p> <p>Financial performance & monitoring - evidence of clear and prompt reporting for in-year budget but more noticeably coverage of wider financial issues with papers covering issues such as prudential code (demonstrating compliance on each area), annual governance statement review, final accounts closedown plans and so on. Notably the precept paper developed for 2009/10 showed a high level of analysis to support the funding decision.</p> <p>Using Fit for Purpose financial reports - the ledger allows for significant flexibility in the formatting of financial information. The accountants designated to support the divisions discuss the most suitable format for reports and there is evidence of user led determination. However this is based on the bounded rationality of the audience and a catalogue of available formats could be used to aid these discussions.</p>	

KLOE 1.3 (financial reporting) (continued)

Preparation of accounts - our 2008/09 audit confirmed the accounts are of a good quality and supported by good working papers.
 Publishing reports - good accessibility of committee papers on the DPA website which are both comprehensive but also uploaded promptly. The accounts are easily accessible on the DPA website although the Annual Audit Letter, whilst available in the committee papers for January 2009, is not overtly shown. The accounts appear in their audited form which includes narrative text but with no annual report as such to provide additional context. The website could benefit from availability of content in different languages.
 Environmental issues - DPA is making progress to consider environmental issues but no outcome measures or assessment provided. Notably the Authority arranged an environmental seminar in October 2008 to promote wider awareness with other forces and organisations and to promote best practice.
 On a rounded judgement there are good indicators of performing well - possible development areas include greater evidence of customisation of budgets (based on user feedback or choice) and better availability of the AAL on the DPA website together with different languages.

2. Governing the business

Governing the business theme score:

2

Key findings and conclusions

KLOE 2.1 – evidence of performing strongly with document review indicating 74 per cent of items evaluated at level 3 - DPA spends higher than the Most Similar Family percentage of its budget on front line policing and focuses resources on areas of most impact and vulnerable groups with crime reduced for the fifth year. VFM is delivered through ambitions, strong strategic management processes, supported by robust performance management framework, driven by a range of mechanisms and utilisation of technology.
 KLOE 2.2 – data quality ‘good’ but assessment of new areas in 09/10 only ‘fair’. Work is ongoing for national data base compliance. Reports frequently provided and reviewed by users, senior officers and members. Decisions informed by sources such as Spikes Cavell and consider impact assessments. Remedial action taken as necessary.
 KLOE 2.3 - evidence provided of compliance at the performing well areas eg. Members have personal training plans, aligned to Basic Command Units, investment in the Professional Standards Unit to investigate all reported concerns and wider proactive work. A hotline and whistle-blowing policy are in place. Two key partnerships (Local Area Agreements with the County Council and the City Council) with staff aligned and member input. However more overt outward facing assurance offered to the general public is needed.
 KLOE 2.4 - risk management is in place with registers maintained by the Authority and Force and extended to partnerships as needed (and these arrangements to feature as good practice in Audit Commission PURE annual report 07/08). Arrangements to detect and deter fraud and corruption are in place with a well resourced Professional Standards Unit which is investigating about 30 cases at any one time. DPA is the only Force invited to present to national fraud training and is considered a leading authority visited by others. Committee for audit shows due challenge over issues particularly non-compliance although a dedicated audit committee could strengthen the arrangements.

<p>KLOE 2.1 (commissioning and procurement)</p> <p>Score</p> <p>VFM criterion met?</p>	<p>3</p> <p>Yes</p>
<p>Key findings and conclusions</p>	
<p>Derbyshire Police has a track record of focussing its resources on areas that would make the most difference and the most impact. Resources are driven by priorities. Derbyshire spends the highest percentage of its gross budget on Police Officer costs compared to the rest of its current comparator group. Budgets have been designed to increase police officer numbers and focus police officers on neighbourhood policing and crime reduction work. The force’s performance results have shown a reduction in crime overall for the fifth year in succession and the force has achieved all but one of the targets for reducing crime and increasing detection. Derbyshire engages with stakeholders well with events being held in 2008 to inform the policing priorities for the county such as a consultation road show ‘Have your Say’ with the general public and stakeholders which was the largest single face to face consultation Derbyshire Constabulary and the Police Authority undertaken with its communities. Eighteen events took place across the county at varied locations. Over 1900 questionnaires were completed and more than 190 staff and partners took part in the events. Community feedback to the Safer Neighbourhood Teams has been used to help direct local force priorities. The focus of spending on front line policing and police officers is underpinned by a Closing the Risk Gap project with a priority for neighbourhood policing - Police Community Support Officers (PCSOs) sited in neighbourhoods has been increased to give a visible ‘uniform’ presence. PCSOs work is programmed to deliver an internal target of spending 80 per cent of time out on site.</p> <p>For VFM there are a range of mechanisms to drive improvements including integrated business and financial planning, business cases to support growth and investment decisions, delivery of efficiency savings to fund continuing developments and modernisation, development of joint collaboration, procurement arrangements and specific projects to bring about improvements. The MTFP is contained within the Policing Plan 2009/12 providing a three year cycle of resource alignment to the operational priorities.</p> <p>Derbyshire focuses on needs of some vulnerable groups eg established contracts for temporary alarms, face to face interpreters and Estates procurements involving the utilisation of space in sensitive areas.</p> <p>Procurement includes impact assessments by diversity and equality specialists to ensure equality issues are avoided or minimised. IT is used to improve the service given to the community. An example is the Digital recording project in custody providing better quality and quicker access to transcripts for defendants and solicitors. 570 mobile data terminals are also being issued to officers across Derbyshire to access and record information allowing officers to spend more time on the streets. The authority is strongly involved in some partnership projects. Examples include its involvement in CREST (Road Safety) and the community safety partnership. Additionally participates and leads on a number of collaborative arrangements with other East Midlands Forces to help create buyer leverage and achieve efficiency savings such as; Building and Design Consultancy; Fire and Associated Equipment; ANPR and Forensic Services both currently being re-tendered. The authority is focusing on wider outcomes in its procurement such as sustainability with the developing CCMC project being a good example of energy savings in new buildings.</p>	

<p>KLOE 2.2 (data quality and use of information)</p> <p>Score</p> <p>VFM criterion met?</p>	<p>2</p> <p>Yes</p>
<p>Key findings and conclusions</p> <p>Data quality previously 'good'. For 2008/09 self assessment indicates continuation. The Force and Authority continue to report regularly on the results of crime audits and remedial action. Data audit provided by Incident and Crime Registrar Unit (autonomous unit) with audits reported monthly and quarterly to the Assistant Chief Constable, Police Authority Lead Line Managers and Divisional Crime Management Units. Results also reported to the Corporate Governance Committee and for the defined set of indicators performance was 'good'. As an aside though we noted that new indicators were chosen for measurement in 2009/10 and performance for the first quarter was only 'fair' however we have no data on these indicators for the 2008/09 period.</p> <p>DPA joined the Association of Chief Police Officers Community Security Policy to ensure compliance with ISO/British Standards, security and data legislation. The 2008/09 external assessment raised no overt problems but highlighted areas for improvement and these are being actioned and work is in progress for compliance with new Police national data base. Role based access is currently being developed and the national police improvement agency is carrying out comprehensive data cleansing and quality assessments towards PND.</p> <p>The Force ensures data sharing is need driven, such as social care and the community safety partnerships, and follows a standard information sharing policy. The Force contributes to the Spikes Cavell data collection process to assist in spend analyses to aid procurement decisions.</p> <p>Performance against budgets is monitored and variance reported to Members. Reports are tailored to BCU Commander requirements eg overtime information. Sickness and other HR measures are being developed for monitoring framework. Decisions are not solely performance and financial but Impact driven such as project and contract initiation documents, assessing business, social, economic and environmental issues. Under performance is responded to eg serious acquisitive crime rose 9.7 per cent and initiative Operation Endeavour 12/01/2009 to 31/03/2009. HMIC Closing the Risk Gap Report identified substantial protective service shortfalls and a 'poor' rating for Neighbourhood Policing in 2007/08. Significant investment by DPA and is now meeting required standards. Overall there are significant indications of good arrangements against the performing well (level 3) for data quality but there are also a number of areas that are work in progress where the full impact will be exhibited in 2009/10.</p>	

<p>KLOE 2.3 (good governance)</p> <p>Score</p> <p>VFM criterion met?</p>	<p>2</p> <p>Yes</p>
<p>Key findings and conclusions</p>	
<p>DPA has clear roles and responsibilities in place for its governance and delegation. The 2008/09 assurance framework is shown in the Annual Governance Statement and has been shared with the Corporate Governance Committee during the year with no significant gaps. The DPA website provides some good examples of outward facing assurance to the public such as news events, committee papers and consultation. However there are no overt signs to organisational assessments and outcomes such as provided by HMIC or the external audit Annual Audit Letters.</p> <p>Members recruitment is supported by an advert pack and second interviews are now in place. Personal training plans are completed each May/June to identify issues for the following year and training is provided internally and externally eg. work of Standards Committees and Audit Committee roles. The skills gaps review being particularly useful for new independent members eg. business and finance skills. Take up of training is not 100 per cent but it is high and members are actively encouraged to address shortfalls in attendance. Notably members are also aligned to an operational BCU. This helps with authority/force integration and enables members to get an appreciation of the problems faced ‘on the ground’. Members are also aligned to project boards so these have a police authority member on each.</p> <p>Authority members and staff are clear of the need to make appropriate disclosures of gifts, hospitality and pecuniary interests and registers are reviewed by internal audit. The Authority has a Professional Standards Committee and minutes are publicised on the DPA web-site.</p> <p>Complaints are investigated by the authority and independent external review where appropriate. Returns to the Standards Board of England include complaints where necessary.</p> <p>Professional standards are maintained by a number of means: there is a clear policy statement in place and is a requirement for all officers to report any concerns; the Head of Professional Standards attends new officer induction; presentations to Senior Officer Management Group on corruption and outcome of investigations; presentations to departmental management teams on Professional Standards work; team briefing and force standing orders (via the intranet) to publicise both standards expectations and the results of fraud and corruption allegations.</p> <p>A confidential hotline enables concerns to be expressed in relation to police officers and police staff and its whistle-blowing policy is publicised by standing orders and on the force intranet. There are examples of a clear united working relationship between the authority and the force eg at new officers two day induction there are presentations from Corporate Development (force’s vision and values) and Police Authority (their role and illustrate the close working between the two parts of the Policing in Derbyshire).</p> <p>The two key partnerships are the Local Area Agreements with the County Council and the City Council with DPA officers aligned and supported by a dedicated analyst. Senior officers of the force are aligned to the Crime Disorder Reduction Partnership and the Chair of DPA is also chair of the Safer Communities Board – helping to get better linkage and alignment of the roles and responsibilities of these.</p>	

<p>KLOE 2.4 (risk management and internal control)</p> <p>Score</p> <p>VFM criterion met?</p>	<p>3</p> <p>Yes</p>
<p>Key findings and conclusions</p>	
<p>Risk management is in place with registers maintained by the Authority and Force with evidence that this is extended to the helicopter joint venture and capital projects as needed. Risk management training has provided together with examples of consideration of risk in project management arrangements, although no overt evidence of linking the risk register to corporate objectives. Within 2009/10 there is a project to align the new Business Plan to the risk register and further embed risk management. Notably the Audit Commission are proposing to use the risk management work of DPA as notable good practice within the PURE annual report 2007/08 hence good evidence of level 3 arrangements.</p> <p>Fraud & corruption deterrence is maintained through procedural/ guidance and also advertisement of detected crimes or sanctions to help deter others. DPA has an established Professional Standards Unit and considered to be better resourced than other forces with evidence of both other forces visiting DPA but also being the only Force invited to present to national fraud training. Proactive work is undertaken by the PSU and the current caseload is about 30 items being investigated at any one time. Items of fraud or misconduct are advertised in the DPA newsletter with examples provided. The NFI is taken forward by Internal Audit with dedicated time in their annual audit plan - no significant issues previously noted. A whistle-blowing policy introduced in 2008 together with new police regulations requiring reporting of any misconduct (introduced November 2008). Both issues have contributed to the high caseloads. A policy is in place detailing the DPA response to fraud but this could be strengthened by further development into an Anti Fraud & Corruption Policy.</p> <p>Our attendance at the Corporate Governance Committee (audit committee) indicates there is due challenge of issues and in particular in regard to any areas of non-compliance. In relation to their function they undertook a self assessment of the Committee against the CIPFA best practice guidance in mid 2008 and are generally compliant. Note however that fraud issues are dealt with by the Professional Standards Committee. Minutes from both committees are included in the Police Authority agendas. Annual Review by the CGC was provided to the June 2009 meeting and provides good outcome measure with evidence of achievement of objectives of the committee during the 2008/09 period. Additionally good evidence during 2008/09 of involvement by the CGC in review of the Annual Governance Statement in an interim state 27/01/2009 and subsequently final version to the 12/06/2009 meeting - no significant gaps noted.</p>	

3. Managing resources

Managing resources theme score	3
The Audit Commission has proposed a cyclical review to assessing the area of managing resources – for 2008/09 this was based on an assessment of KLOE 3.3 'workforce planning'.	
KLOE 3.3 (workforce planning)	
Score	3
VFM criterion met?	Yes
Key findings and conclusions	
<p>Workforce planning</p> <p>DPA has several mechanisms to ensure a productive and skilled workforce - the Policing Plan is the strategic document (three year rolling plan) with objectives underpinned by Human Resources policies. DPA has the second lowest gross service costs per officer and below average on-costs – within this police officers represent 58.4 per cent of costs, against an MSF average of 57 per cent although this is still the third lowest level of policing per head of population (in the MSF) due to overall budget in comparison with other forces.</p> <p>To deliver the Policing Plan and resourcing there is ongoing redeployment to priority areas – for instance 2008/09:</p> <ul style="list-style-type: none"> • reviewed the framework for supervision and reduced section supervision from 20 to 13 sergeants (notable as DPA was already the second highest ratio in the Most Similar Forces of constables to sergeants), allowing more front line policing; • reallocated officers to address an identified shortfall in protective services by freeing up warranted staff in other areas eg greater use of Police Community Support Officers in neighbourhood policing. <p>Impact of these changes is reflected in public confidence levels that increased during 2008/09.</p>	

KLOE 3.3 (workforce planning)

Policies & diversity

A range of policies are in place relating to diversity and supporting people openly. There is a single equality scheme covering the seven strands of diversity with a Confidence and Equality Unit targeting recruitment in 2008/09 such as over 50 events across the County aimed at gay and ethnic minority communities and a series of events to focus on women's issues for International Women's Day, the impact being:

- Black and Minority Ethnic representation increased for all staff from 3.5 per cent last year to 3.7 per cent 2008/09 – nationally DPA is still below average for but has improved on its 2007/08 position.
- For gender equality females represent 66.9 per cent of the workforce March 2009, slightly lower than 67 per cent in March 2008. Female police officers are lower at 25.3 per cent (March 2009) but an improvement in year from 23.8 per cent with numbers up from 506 to 549. Nationally DPA is slightly below the all forces average (measure for quarter 4 in 2008/09) but an improvement on the same period measured in 2007/08.
- Specials recruitment – the action has increased applicants 08/09 to 241 from 177 last year although largest challenge is retention with 32 starters in year but 103 leavers hence overall numbers have dropped from 440 to 360.

In addition to increased numbers of female officers in senior officer roles the Force has been addressing areas where there was a marked absence of female officers such as dogs and firearms sections.

Performance

The force addresses both poor and good performance. Its PDR process has been recently reviewed to streamline the process, provide clearer targets driven by the national confidence performance indicator with improvement plans targeted front line support. This is also supported by an external counselling service available 24/7 and has had a strong take-up: in the last three months 2008 a quarter of the workforce accessed the service (ie 950 hits).

Staff sickness at DPA is low – The force's data indicates an improvement within 2008/09 from 8.29 to 7.11 days lost overall with a similar level of improvement for police officers alone. Placed in national context for all staff DPA is amongst the lowest nationwide (and an improvement on 2007/08) and for police officers the rate was the same as national average but an improvement on last year.

Training & development

To help identify skills and training requirements, the Force Training Plan was devolved to Basic Command Units (BCU) in 2008. This facilitated a review of training needs and realignment of resources to ensure the right skills mix across BCUs. A new BCU Commanders Resourcing Group provides a forum to pick up staffing problems such as acting up numbers, officer shortages and internal movements etc.

Staff development is actively promoted through personal plans such as Management and Leadership Training for all first and second line officers. The Force successfully addressed identified skills gaps in the Custody (Cell) sergeant role and CID role through dedicated training and secondments.

Organisational change

The Force applies an organisational change policy designed to help smooth the process of organisational change both for the employee and the employer. The recent Criminal Justice re-structure was held up as best practice by UNISON for involving staff. The HR and Personnel and Learning and Development departments restructure have been inclusive and well supported through communication. The new Centralised Call Centre Management (CCMC) project has good ongoing contact and liaison in place with focus groups, newsletters and use of the intranet.

The Audit Commission

The Audit Commission is an independent watchdog, driving economy, efficiency and effectiveness in local public services to deliver better outcomes for everyone.

Our work across local government, health, housing, community safety and fire and rescue services means that we have a unique perspective. We promote value for money for taxpayers, auditing the £200 billion spent by 11,000 local public bodies.

As a force for improvement, we work in partnership to assess local public services and make practical recommendations for promoting a better quality of life for local people.

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