

The Accounts Commission for Scotland

Agenda

Meeting on Thursday 14 June 2012,
in the offices of Audit Scotland, 18 George Street, Edinburgh

The meeting will begin at 10:00 am

1. **Apologies for absence**
2. **Declarations of interest**
3. **Decisions on taking business in private:** The Commission will consider whether to take items 10 to 13 in private.
4. **Minutes of meeting of 17 May 2012**
5. **Minutes of meeting of the Financial Audit and Assurance Committee of 10 May 2012**
6. **Chair's introduction:** The Chair will report on recent activity and issues of interest to the Commission.
7. **Update report by the Controller of Audit:** The Commission will consider a report from the Controller of Audit on significant recent activity in relation to the audit of local government.
8. **The shared risk assessment (SRA) process and best value audit work:** The Commission will consider a report by the Director of Best Value and Scrutiny Improvement.
9. **Best Value audit and inspection of Central Scotland Police and Central Scotland Police Joint Board:** The Commission will consider a report from the Controller of Audit.
10. **Best Value audit and inspection of Central Scotland Police and Central Scotland Police Joint Board:** The Commission will consider the action it wishes to take on the report.
11. **Local Government Act 1992 – 2012 Direction on Statutory Performance Information:** The Commission will consider a report by the Controller of Audit
12. **Best Value audits of fire and rescue services – overview report:** The Commission will consider a draft report.
13. **Supporting improvement in community planning partnerships:** The Commission will consider a report by the Controller of Audit
14. **Any other business**

The following papers are enclosed for this meeting:

Agenda Item	Paper number
<p>Agenda Item 4: Minutes of the meeting of the Commission of 17 May 2012</p>	AC.2012.5.1
<p>Agenda Item 5: Minutes of the meeting of the Financial Audit & Assurance Committee of 10 May 2012</p>	AC.2012.5.2
<p>Agenda Item 7: Update report by the Controller of Audit</p>	AC.2012.5.3
<p>Agenda Item 8: The shared risk assessment (SRA) process and best value audit work</p>	AC.2012.5.4
<p>Agenda Item 9: Best Value audit and inspection of Central Scotland Police and Central Scotland Police Joint Board</p>	AC.2012.5.5
<p>Agenda Item 11: Local Government Act 1992 – 2012 Direction on Statutory Performance Information</p>	AC.2012.5.6
<p>Agenda Item 12: Best Value audits of fire and rescue services – overview report</p>	AC.2012.5.7
<p>Agenda Item 13: Supporting improvement in community planning partnerships</p>	AC.2012.5.8

ACCOUNTS COMMISSION

MEETING 14 JUNE 2012

MINUTES OF MEETING OF 17 MAY 2012

Minutes of the meeting of the Accounts Commission held in the offices of Audit Scotland at 18 George Street, Edinburgh, on Thursday, 17 May 2012, at 10am

PRESENT: John Baillie (Chair)
Michael Ash
Alan Campbell
Sandy Cumming
Colin Duncan
Christine May
Bill McQueen
Colin Peebles
Linda Pollock
Graham Sharp
Douglas Sinclair (Deputy Chair)

IN ATTENDANCE: Fraser McKinlay, Controller of Audit and Director of Best Value and Scrutiny Improvement (BVSI)
Fiona Kordiak, Director of Audit Services
Paul Reilly, Secretary and Business Manager
Ronnie Nicol, Assistant Director, Performance Audit
Martin Walker, Portfolio Manager (Best Value), BVSI [Items 10 to 13]
Carol Calder, Portfolio Manager (Best Value), BVSI [Items 10 and 12]
Fiona Selkirk, Project Manager, BVSI [Items 10 and 12]
Lorna Skirving, Portfolio Manager (Best Value), BVSI [Items 10 and 12]
Peter Worsdale, Project Manager, BVSI [Items 10 and 12]
Antony Clark, Assistant Director, BVSI [Item 14]
John Gilchrist, Manager, Audit Strategy [Item 15]
Andrew Laing, Her Majesty's Inspector of Constabulary for Scotland [Items 11 and 13]
Inspector Paul Bullen, Her Majesty's Inspector, Her Majesty's Inspectorate of Constabulary Scotland [Items 11 and 13]

<u>Item No</u>	<u>Subject</u>
1.	Apologies for absence
2.	Declarations of interest
3.	Decisions on taking business in private
4.	Minutes of meeting of 15 March 2012
5.	Minutes of the meeting of the Performance Audit Committee of 29 March 2012
6.	Chair's introduction
7.	Controller of Audit
8.	Local government election 2012
9.	Update report by the Controller of Audit
10.	Best Value Audit – Midlothian Council
11.	Best Value Audit – Dumfries and Galloway Constabulary
12.	Best Value Audit – Midlothian Council
13.	Best Value Audit – Dumfries and Galloway Constabulary
14.	The audit of community planning partnerships
15.	National Fraud Initiative: 2010/11 exercise
16.	Any other business

1. Apologies

Apologies for absence were submitted from Jim King. Apologies for leaving the meeting early were intimated by Christine May.

2. Declarations of interest

The following declarations of interest were made:

- Colin Duncan, in item 10, as a family member is an employee of Midlothian Council.
- Christine May, in item 10, as a family member is an employee of Midlothian Council.
- Linda Pollock, in item 10, as she is a former Director of NHS Lothian.

3. Decisions on taking business in private

The Commission agreed to take the following items in private:

- Items 12 and 13, to allow deliberations on actions arising from the reports.
- Items 14 and 15, to allow consideration of draft reports.

4. Minutes of meetings of 17 March 2012

The minutes of the meeting of 17 March 2012 were submitted and approved.

Arising therefrom, the Commission:

- Noted advice from the Controller of Audit that the statutory finance officers of Aberdeenshire and Shetland Islands councils were members of their respective corporate management teams.
- Agreed that the Controller of Audit provide analysis, on a council-by-council basis of the positions of statutory finance officers in all Scottish councils.

(Action: Controller of Audit)

- Noted advice from the Controller of Audit that he would be having discussions with the new Auditor General for Scotland about the process for participating in private briefings with parliamentary committees.

5. Minutes of the meeting of the Performance Audit Committee of 29 March 2012

The minutes of the meeting of the Financial Audit and Assurance Committee of 29 March 2012 were submitted and approved.

6. Chair's introduction

The Commission noted advice from the Chair that:

- On 21 March, he and the Deputy Chair met Iain Gray, Convener of the Public Audit Committee of the Scottish Parliament, to discuss how the Commission and the Committee work together.
- On 22 March and on 26 April, he attended meetings of the Audit Scotland Board.
- On 22 March, he attended a meeting with the Scottish Government to discuss engagement between the Government and Non-Departmental Public Bodies.
- On 26 March, the Deputy Chair, Mike Ash and Graeme Sharp met with Tayside Fire Board to discuss the Best Value audit of Tayside Fire and Rescue, which was published on 2 February.
- On 27 March, he and Alan Campbell met with representatives of Fife Police Fire & Safety Committee to discuss the Best Value audit of Fife Fire and Rescue, which was published on 16 February.
- On 28 March, he briefed the Scottish Parliament's Public Audit Committee on our Local Government Overview report, which was published on 15 March.
- He and the Deputy Chair attended meetings of the Community Planning Partnership audit steering group meeting on 29 March and 26 April, with the Chair of the Performance Audit Committee joining us for the latter meeting and from now on.
- On 5 April, the Commission – represented by him and the Chairs of Financial Audit and Assurance and Performance Audit committees (Bill McQueen and Douglas Sinclair) - convened the latest meeting with strategic scrutiny bodies.

- On 12 April, he, Linda Pollock, Graham Sharp met with representatives of Dumfries and Galloway Police Fire and Safety Committee to discuss the Best Value audit of Dumfries and Galloway Fire and Rescue, which was published on 9 February.
- On 18 April, the Deputy Chair and Mike Ash met with representatives of Strathclyde Fire Board to discuss the Best Value audit of Strathclyde Fire and Rescue, which was published on 29 March.
- On 19 April, he and the Chairs of Chairs of Financial Audit and Assurance and Performance Audit committees (Bill McQueen and Douglas Sinclair) interviewed candidates for the role of Controller of Audit, which was to be discussed further in this meeting.
- On 25 April, he, Christine May and the Deputy Chair met with representatives of Highlands and Islands Fire and Rescue Joint Board to discuss the Best Value audit of Highlands and Islands Fire and Rescue, which was published on 8 March. A further meeting is to take place in early June.
- On 26 April, he met with Paul Grice, Chief Executive, Scottish Parliament, to discuss working between the two bodies.
- On 2 May, the Commission had an informal meeting to discuss the proposed audit of community planning partnerships and outcomes, which would be the subject of further discussion in this meeting.
- The Commission held its annual strategy seminar on 16 and 17 April, the outputs of which would be considered at forthcoming meetings of the Commission.
- On 29 March, the Scottish Parliament approved the nomination of Caroline Gardner as the next Auditor General, and that the Commission would mark the retirement of the current Auditor General, Bob Black, with an informal lunch at the next meeting of the Commission on 14 June.
- At its annual strategy seminar, the Commission agreed to postpone its scheduled meeting in July, which will now take place on 23 August.

7. Controller of Audit

The Commission considered a report by the Secretary and Business Manager advising of the progress of the process to recruit a new Controller of Audit, and to seek the Commission's approval to proceed further and conclude the matter.

The Commission:

- Noted advice from the Chair that he had convened a panel comprising himself and the Chairs of Financial Audit and Assurance and Performance Audit committees (Bill McQueen and Douglas Sinclair) to interview candidates for the role of Controller of Audit, and to make a recommendation therefrom to the Commission.

- Agreed to approve the recommendation of the panel that Fraser McKinlay be appointed as Controller of Audit, subject to the approval of the Cabinet Secretary.

8. Local Government election 2012

The Commission considered a paper by the Secretary and Business Manager summarising the outcome of the local government election 2012.

The Commission:

- Noted a paper tabled by the Secretary and Business Manager setting out more recently updated information on the outcome of the election.
- Noted advice from the Secretary and Business Manager that the implications of the local government elections on the Convention of Scottish Local Authorities was as yet unclear.
- Agreed that a paper setting out the definitive position on the leadership and political control of councils be provided to Commission members.

(Action: Secretary and Business Manager)

9. Update report by the Controller of Audit

The Commission considered a report by the Controller of Audit providing an update on significant recent activity in relation to the audit of local government.

The Commission:

- Agreed that the Controller of Audit provide further information on the proposed savings from local audit reforms in England.

(Action: Controller of Audit)

- Noted the report.

10. Best Value Audit: Midlothian

The Commission considered a report by the Secretary and Business Manager introducing the Best Value audit of Midlothian Council and seeking direction on how to proceed.

During discussion, the Commission sought clarification and further explanation from the Controller of Audit and the audit team on a number of points in the report.

Thereafter the Commission agreed to note the report and to consider in private its findings.

11. Best Value Audit – Dumfries and Galloway Constabulary

The Commission considered a report by the Secretary and Business Manager introducing the Best Value audit of Dumfries and Galloway Constabulary and seeking direction on how to proceed.

The Chair welcomed Andrew Laing, Her Majesty's Inspector of Constabulary for Scotland and Inspector Paul Bullen, Her Majesty's Inspector, Her Majesty's Inspectorate of Constabulary Scotland, who with the audit team presented the report.

During discussion, the Commission sought clarification and further explanation from the Controller of Audit, Her Majesty's Inspector of Constabulary and the audit team on a number of points in the report.

The Commission:

- Agreed that the national overview report on the Best Value audits of police include reference to the issue of size and make-up of police boards or committees.
- Agreed to note the report and to consider in private its findings.

12. Best Value Audit – Midlothian Council (in private)

The Commission agreed that this item be held in private to allow it to consider actions in relation to its findings.

Following discussion, the Commission agreed to make findings as contained in the report to be published in early course.

13. Best Value Audit – Dumfries and Galloway Constabulary (in private)

The Commission agreed that this item be held in private to allow it to consider actions in relation to its findings.

Following discussion, the Commission agreed to make findings as contained in the report to be published in early course.

14. The audit of community planning partnerships

The Commission considered a report by the Director of Best Value and Scrutiny Improvement seeking endorsement on the proposed approach to the Community Planning Partnership (CPP) and outcomes audit.

The Commission agreed to note the progress and endorsed the approach to auditing CPPs as set out in the paper attached to the report.

15. National Fraud Initiative: 2010/11 exercise

The Commission considered a report by the Assistant Auditor General informing and reporting on the success of the latest exercise and seeking support for naming the only council where the local auditor had concluded that their arrangements for NFI were not good enough and a council exhibiting particularly good practice.

The Commission:

- Noted the success of NFI in helping councils and other public bodies to detect and deter fraud and error.
- Agreed that the report name bodies that most need to improve.

- Agreed that the Assistant Auditor General consider appropriate titling of future reports to reflect their scope beyond fraud.

(Action: Assistant Auditor General)

- Endorsed the report.

16. Any other business

There was no other business to be considered.

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ACCOUNTS COMMISSION

MEETING 7 JUNE 2012

MINUTES OF MEETING OF FINANCIAL AUDIT AND ASSURANCE COMMITTEE

Minutes of meeting of the Financial Audit and Assurance Committee of the Accounts Commission held in the offices of Audit Scotland, 18 George Street, Edinburgh on Thursday, 10 May 2012, at 10.30am.

PRESENT: Bill McQueen (Chair)
John Baillie
Sandy Cumming
Graham Sharp
Douglas Sinclair

IN ATTENDANCE: Fraser McKinlay, Controller of Audit and Director of Best Value and Scrutiny Improvement
Gillian Woolman, Assistant Director, Audit Services
Dave McConnell, Assistant Director, Audit Services [Item 9]
Paul Reilly, Secretary and Business Manager
John Gilchrist, Manager (Audit Strategy), Audit Strategy [Item 6]
Jim Rundell, Senior Audit Manager, Audit Services [Item 9]

1. Apologies for absence
2. Declarations of interest
3. Minutes of meeting of 9 February 2012
4. Current audit issues in councils
5. Audit Services Group – Impact Report
6. Audit Service Quality Survey – 2010-11 local government audits
7. Separate pension fund financial statements – arising issues
8. Highland lead agency model
9. Significant issues at City of Edinburgh Council
10. Any other business

1. Apologies

Apologies for absence were received from Colin Duncan and Linda Pollock

2. Declarations of interest

It was noted that no declarations of interest were made.

3. Minutes of meeting of 9 February 2012

The minutes of the meeting of 9 February 2012 were approved.

4. Current audit issues in councils

The Committee considered a report by the Director of Audit Services outlining emerging issues, recurring themes and individual issues of interest in Scottish councils.

During discussion it was agreed:

- to note advice from the Secretary and Business Manager that the Commission was visiting Comhairle nan Eilean Siar on 23 May 2012 to discuss the Best Value Audit of the Council, published on 29 November 2011
- to note advice from the Controller of Audit that he was still considering whether to report on the progress of North Ayrshire Council against its Best Value Audit, published on 10 March 2011
- that the Controller of Audit provide more information on the convenership and make-up of the Audit Committee of Orkney Islands Council

Action: Controller of Audit

- that the Assistant Auditor General report on the effectiveness of elected member monitoring of the performance of benefits administration

Action: Assistant Auditor General

Thereafter the Committee agreed to note the report.

5. Audit Services Group – Impact Report

The Committee considered a report by the Director of Audit Services which recorded and shared examples of where Audit Services Group has made an impact in the course of its audit work on 'holding to account and helping to improve'.

During discussion it was agreed:

- to welcome the report
- that the Committee consider such a report on an annual basis

Action: Director of Audit Services

- to recommend to the Accounts Commission that it consider how to receive reports of the impact of all of its work

Thereafter the Committee agreed to note the report.

6. Audit Service Quality Survey – 2010/11 local government audits

The Committee considered a report by the Assistant Auditor General summarising the results of the 2010/11 service quality survey for the local government sector.

During discussion it was agreed:

- to note the positive contribution that the survey provides towards the quality of its audit work carried out under appointment by the Accounts Commission
- to note advice from the Assistant Auditor General that the questionnaire would be reviewed in coming weeks
- to this end, that Committee members be consulted about a revised questionnaire
- that the Assistant Auditor General consider how to involve council chief executives in a review of the survey
- that the Assistant Auditor General consider how to obtain council chief executives' views of the quality of service provided by appointed auditors.

Actions: Assistant Auditor General

7. Separate pension fund financial statements – arising issues

The Committee considered a report by the Director of Audit Services summarising information from 2010/11 Local Government Pension Scheme annual reports and annual audit reports.

During discussion it was agreed:

- to welcome the report
- that the Director of Audit Services provide more information on employer default
- to note that performance figures need to be considered against the context of long term performance due to market volatility
- that the Commission consider how to share this information with local authorities

Action: Director of Audit Services

Action: Secretary and Business Manager

- That in doing so, to draw attention in particular to the following:
 - A quorum of two on a pension fund committee may not reflect good practice
 - All contributing local authorities being represented on pension fund committees may reflect better practice
 - That succession planning is a crucial issue worthy of close attention

Action: Secretary and Business Manager

- That the Director of Audit Services investigate the feasibility of providing information on investment management fees

Action: Director of Audit Services

- That the Director of Audit Services investigate the feasibility of providing information showing a weighted average of the proportion of pension funds that are funded

Action: Director of Audit Services

Thereafter the Committee agreed to note the report.

8. Update on Highland lead agency approach

The Committee considered a report by the Controller of Audit providing details of the lead agency arrangement between NHS Highland and Highland Council for adult community care services and children's services, which commenced on 1 April 2012.

The Committee agreed to note the report

9. Significant issues at City of Edinburgh Council

The Committee considered a report by the Assistant Director of Audit Services summarising current issues arising from the audit of City of Edinburgh Council.

During discussion the Committee agreed:

- To note advice from the Assistant Director of Audit Services that:
 - He most recently met the Chief Executive of the Council on 9 May 2012;
 - The annual audit report to members and dialogue with the Audit Committee have consistently highlighted the risks associated with the overall financial position of the Council
 - These issues will continue to be highlighted to the new membership of the Audit Committee
- That the Chair of the Commission and the Secretary and Business Manager liaise to ensure that the Commission are kept informed of the immediate situation

Action: Secretary and Business Manager

That the Chair and the Controller of Audit liaise to discuss how, beyond the immediate term, the outputs of the annual audit and proposed Best Value Audit of the Council are used to keep the Commission informed of the situation

Action: Controller of Audit

- That the following further information be provided to the Committee:
 - The reports considered by the Council on the Alternative Business Model

- The advice given by, and the position in the management structure of, the statutory finance officer
- More detailed analysis of the current financial position of the Council, including risks and context
- Updates on any of the issues raised in the paper

*Action: Assistant Director of Audit Services
and Secretary and Business Manager*

10. Any other business

There was no other business.

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ACCOUNTS COMMISSION

MEETING 14 JUNE 2012

REPORT BY THE CONTROLLER OF AUDIT

UPDATE REPORT

Introduction

1. The purpose of this regular report is to provide an update to the Commission on significant recent activity in relation to the audit of local government.
2. It is intended to complement the intelligence reports to the Financial Audit and Assurance Committee, which provide a more detailed update on issues arising in local government.
3. The most recent such report was at the Committee meeting of 10th May 2012.

Local government issues

4. The local government elections took place on 3rd May. All councils have now held their first statutory meeting. As new political administrations settle in we will continue to monitor developments and whether there are any significant changes to council policies or projects. The CoSLA Convention will take place on the 29th of June, when the President of CoSLA and other officer bearers will be elected.
5. In December 2011 the Accounts Commission and the Auditor General received anonymous, written allegations relating to South Lanarkshire Council (SLC). The 'whistle blowers' described themselves as a group of senior managers in SLC. The allegations included concerns about recruitment and selection processes, standards of conduct and financial control. The whistle blowers also shared the allegations with the local press who characterised the allegations as 'cronyism'.
6. The Commission asked me to consider the whistleblowing letter and I concluded that allegations merited further examination. Having taken the appropriate legal advice, Audit Scotland carried out some initial investigations, in line with our responsibilities under with the Public Interest Disclosure Act 1998 and the Data Protection Act 1998.
7. Having conducted some initial investigations, my view is that while the anonymous letter was reasonably well informed, aspects were imprecise and exaggerated in places. Our audit work has not identified any clear evidence of wrong doing. However, there were elements of the allegations that remained untested due to a lack of evidence to either prove or disprove the allegations.

8. On 28 May I met the council's Chief Executive to discuss the outcomes of our initial audit work and followed this up with a letter. In a letter to me dated 30 May the Chief Executive advised me that the key elements of the allegations would be considered by the council's Monitoring Officer, who would determine whether any further internal review was appropriate. The letter goes on to state that: "the Council remains committed to the highest levels of probity and governance and I will also ensure that the recruitment and selection process continues to be transparent and in line with recognised good practice" and committed to evidence this as part of the annual audit process. This will be monitored by the council's external auditors. Audit Scotland staff met the council's Monitoring Officer on 6 June and I will advise the Commission on any further work undertaken by the Council as appropriate.
9. Audit Scotland is also progressing work to respond to the Commission's request for further audit of the regularity of the terms associated with the retirement and subsequent reemployment of the Chief Fire Officer at Strathclyde Fire and Rescue. I expect to present my report to the Commission in August.

Other

10. The recruitment and selection process for the Chief Officer of the new national fire and rescue service is now under-way.
11. On 30 May I attended the ACPOS conference in Dunblane. The conference theme was, 'Powerful Partnerships, Changing Times', and was focused on making the new national police service for Scotland a success.
12. On 31 May and 1 June I attended the SOLACE conference, hosted by Renfrewshire Council in Renfrew. The conference covered a wide range of topics, including community safety, health improvement and the economy. In his keynote address, Local Government Minister Derek McKay announced he had given the Local Government Boundary Commission for Scotland a Ministerial Direction that there should be no local government boundary review for the next five years. In doing so, he stressed the importance of councils and their partners progressing service integration and public service reform, to improve outcomes for local communities.

Conclusion

13. The Commission is invited to consider and note this report.

Fraser McKinlay
Controller of Audit
7 June 2012

ACCOUNTS COMMISSION

MEETING 14 JUNE 2012

REPORT BY THE DIRECTOR OF BEST VALUE AND SCRUTINY IMPROVEMENT

THE SHARED RISK ASSESSMENT (SRA) PROCESS AND BEST VALUE AUDIT WORK

Background

1. Following a series of reports and briefings on the shared risk assessment process in early 2011, at its July 2011 meeting the Commission agreed that:
 - The planned programme of targeted Best Value audit work would be reported to the Commission each year as part of the annual feedback on the outcomes of the SRA process
 - Any emerging issues arising from targeted Best Value audit work be reported to the Commission or one of its committees as part of routine current issues reporting
 - The outcomes of all targeted Best Value audit work would be routinely reported to the Commission on an annual basis.
2. This report sets out the proposed Best Value audit programme (full and targeted activity) arising from the recent 2012/13 shared risk assessment (SRA)/Assurance and Improvement Plan refresh process. It also summarises the outcomes of the targeted Best Value audit work at Dumfries and Galloway Council, Fife Council, Moray Council and North Ayrshire Council which arose from last year's shared risk assessment process.

Best Value audit work undertaken during 2011/12

3. During 2011/12 the Accounts Commission considered:
 - three full council Best Value audits: Stirling Council (October 2011), Western Isles Council (November 2011), and Midlothian Council (May 2012).
 - three joint police Best Value Audits and inspection reports with HMICS: Strathclyde police (June 2011) and Lothian and Borders police (November 2011) and Dumfries and Galloway police (May 2012), and
 - eight Fire and Rescue Best Value audit reports: Tayside and Central (December 2011), Fife and Dumfries and Galloway (January 2012), Grampian, and Highlands and Islands (February 2012), Lothian and Borders and Strathclyde (March 2012).
4. Last year's shared risk assessment process also led to audit activity targeted on specific aspects of Best Value at four councils: Dumfries and Galloway, Fife, Moray, and North Ayrshire.

5. The key audit findings arising from these four pieces of targeted work are set out at Appendix 1. These pieces of work were all reported publicly locally through the report to members and the Controller of Audit. In addition, a supplementary report on the targeted work on sustainability was also issued at Fife Council and a joint local report with HMIE was issued at Moray council. In relation to the targeted work at Dumfries and Galloway, Moray, and North Ayrshire councils, Appendix 1 draws on the content of the most recent annual report to members which were prepared last October. The content in relation to Fife Council draws on the supplementary report on the targeted work on sustainability.

Planned BV audit activity 2012/13

6. The outcome from the 2011/12 SRA process, as set out in the National Scrutiny Plan for local government 2012/13 is that we are planning to carry out:
 - One full Best Value audit which will lead to a Controller of Audit report to the Commission (with the new BV2 judgements) at Edinburgh City Council
 - Three targeted pieces of Best Value audit work at Aberdeenshire Council, Dundee City Council and Moray Council
 - Two Best Value follow-up audits at Western Isles Council (Comhairlie nan Eilean Siar) and Shetland Islands Council
7. This is in addition to taking forward the Accounts Commission's audit of Community Planning partnerships at three CPP areas later in 2012, and the ongoing joint work with HMICS at Fife and Central police to bring to a conclusion the initial cycle of joint police Best Value Audits and inspections.
8. The reporting route for targeted Best Value audit activity depends upon the nature of the audit findings. Reporting options include reporting through the annual report to members, reporting through a specific local report, or statutory reporting from the Controller of Audit to the Commission. Given the relatively wide ranging scope of the planned targeted BV audit work at Aberdeenshire Council and Moray Council the option of reporting directly to the Commission on the outcomes of the audit work will be kept under active consideration as the work progresses.
9. The Edinburgh City Council Best Value audit is likely to focus on four main areas:
 - The council's vision and strategic direction, with significant uncertainty over issues such as the Edinburgh Trams project and the council's Alternative Business Model (ABM)
 - The effectiveness of members in scrutinising areas such as the Trams project.
 - The impact of the council's self-assessment activities, in particular the Edinburgh Improvement Model, on service performance
 - The impact of community planning and partnership working on service delivery and outcomes
10. The SRA process also helps us target focused pieces of Best Value-related audit activity on specific aspects of BV such as performance management, workforce planning, and procurement. Targeted BV audit work is planned at the following councils in 2012/13:
 - Aberdeenshire Council
 - Dundee City Council
 - Moray Council

- Western Isles Council (Comhairlie nan Eilean Siar)
- Shetland Islands Council

11. The nature of the risk-based and targeted pieces of Best Value-related audit activity planned at these councils are set out in Table 1.

Table 1

Targeted Best Value related audit work 2012/13

Council	Best value audit risks and proposed audit activity
Aberdeenshire Council	Targeted Best Value work. In response to some of the areas of uncertainty identified in the 2012-15 Assurance and Improvement Plan update, Audit Scotland will carry out some targeted Best Value work, focussing on the following areas: performance management, corporate improvement, leadership and culture, challenge and improvement, people management and competitiveness.
Dundee City Council	Targeted Best Value work. Outcome measures in the area of work and enterprise continue to show mixed performance and income and employment deprivation indicators in Dundee remain worse than the national average. This outcome area will be the subject of some targeted Best Value audit work in 2012/13. This work will focus on assessing the activity being carried out by the council and its partners and the impact that this is having.
Moray Council	Targeted Best Value work. This work was scheduled for June 2012 and was intended to focus on Moray Performs and the progress made by the council in developing its self-evaluation arrangements. However, given the recent development of "Best Value for Moray" and the local government elections in May, this work will now take place during the second half of 2012/13. As well as a general focus on the council's progress in taking forward its corporate improvement plan, it will also focus on those areas of significant scrutiny risk or uncertain scrutiny risk, identified in this refreshed AIP for 2012 – 15, namely leadership and culture, equalities, the outcomes approach, challenge and improvement (including self-evaluation), customer focus and risk management. This work will be led by Audit Scotland and will be done in collaboration with the local external auditors.
Comhairlie nan Eilean Siar (Western Isles Council)	Best Value follow-up audit work. A Best Value Audit was undertaken and the report was published in November 2011. The report includes a number of improvement actions and the Accounts Commission has asked for a follow-up audit to be conducted and reported in approximately one year. The follow-up audit work will assess the pace of change and improvement within the council, with a particular focus on performance management, challenge and improvement, and procurement.
Shetland Islands Council	Best Value follow-up audit work. During 2011, the council underwent a significant period of change. The council developed an improvement plan to address areas of weakness previously identified by the Accounts Commission. In December 2011, the Commission issued a follow up report indicating that the council had taken prompt action to address the issues highlighted in audit reports and in the Accounts Commission's findings and had made good progress to date on implementing many important elements of its improvement plan. There are, however, areas where further improvements could be made. The Accounts Commission asked Audit Scotland to carry out further focused Best Value follow-up audit work during 2012. This work will cover a range of corporate assessment areas, including governance and accountability, performance management and improvement, asset management, people management, and financial management.

Recommendations:

12. The Commission is invited to:
 - (i) note the planned proposed Best Value audit activity arising from the recent shared risk assessment (SRA) refresh process
 - (ii) note the key audit findings from the four pieces of targeted Best Value audit which arose from last year's shared risk assessment process (Appendix 1)

Appendix 1

Dumfries and Galloway Council: outcomes of targeted Best Value-related audit work 2011/12

Best Value

The first Best Value audit of Dumfries and Galloway Council was reported in March 2009. The 2009/10 Report to Members assessed the progress made by the council against this report. It found that the pace of change needed to be increased to deliver Best Value. It noted some progress in improving leadership, and budget planning but important corporate areas including performance reporting, workforce planning, and demonstrating competitiveness required further development. In this second follow-up, we have focused the audit on the following areas:

- Political and managerial leadership
- Performance management and improvement
- Resource management areas of people and asset management and the council's commissioning framework

Leadership

The corporate management team (CMT) has made good progress in putting measures in place to improve both political and managerial leadership. The political management arrangements allow for collaborative working across political parties. The Leadership Panel introduced in July 2010 allows leaders from all political parties to consider strategic issues and council priorities, and the Budget Development Working Group allows members from all parties to engage in the budget process. The council also operates 'challenge day' seminars to explore specific issues in detail.

The council has taken the positive step of carrying out a specific review of the effectiveness of member-officer working relationships drawing on the good practice identified in the Audit Scotland 2010 How Council's Work series regarding roles and relationships. The review found that relationships were professional and constructive and that the introduction of member officer working groups has been beneficial in fostering constructive relationships and engaging members in policy development and other key strategic issues facing the council. Members considered forums that focused on specific issues such as the Budget Development Working Group were more effective than the forums such as the Leadership Panel that considered a range of agenda items. *The council's Leadership Panel is intending to carry out a self assessment of its effectiveness and working practices* Areas identified for further improvement included strengthening trust and respect among members and officers and improving the understanding of members' roles and responsibilities on external bodies.

A range of training opportunities are available for members including guidance on performance management and scrutiny, and the council's area framework. However experience shows that the uptake of training by members can be limited therefore reducing the impact of its effectiveness. The Organisational Development Framework (ODF) leadership theme team is considering ways to encourage wider training in competencies and better participation by members in learning and development opportunities. The council signed up with members to new development programme through the Chartered Institute of Personnel and Development with most members now having a personal development plan. A formal induction programme is also being developed for all members following the 2012 election.

The CMT has put in place sound measures to strengthen managerial leadership and collaborative working across the-organisation. These include the creation of a Corporate

Improvement Team to drive the councils improvement programme, the roll out of leadership development programme; a cross-council forum of senior managers, and a revised appraisal process to give a clearer focus on performance management and employee development.

In the run up to the local government elections in May 2012 strong leadership will be essential and it will be vital for all members to work together for the overall benefit of the region. During this time members are likely to be called upon to make difficult policy decisions on the future of services against the backdrop of the need for significant budget cuts.

Performance management

The 2009/10 Report to Members noted that performance reporting to committee was limited and that this impacted on the ability of elected members to scrutinise performance. Because of the need to focus on the introduction of the organisation development framework, there was little improvement in the level of performance reporting to members over the year to March 2011 with performance reporting to committee remaining limited and inconsistent. This will have restricted the ability of members to effectively scrutinise performance in the last year. However the work of the ODF teams under the direction of the Assistant Chief Executive has strengthened the council's approach to performance management.

A well-structured framework has been introduced for business planning and measuring and reporting performance. This became operational from April 2011 with members approving business plan guidance in February 2011 and business plans in April and May 2011. The guidance is sound and will help to ensure a more consistent approach than had previously been taken. The plans set clear objectives and the performance indicators used in the plans have been approved by service committees. The business plans include workforce information. These provide baseline data which the council recognises will need further development and analysis to develop workforce planning.

Performance against the plans is scheduled to be reported to members at six monthly intervals to include the first half year and the final year outcome, with the first round of performance reports due to be submitted to committee in October 2011, including reporting at area committees as part of the revised Area Framework agreed by Council in June 2011. As such it is too early to assess the extent to which the agreed performance reporting processes are being applied in practice and the impact this is having on improving members' scrutiny and wider performance.

The Chief Executive, Directors and Assistant Chief Executive are using progress reports and delivery of performance targets described in business plans as part of the evidence to support regular performance management reviews with senior officers. This information forms part of the evidence for annual appraisal of senior officers and is being built into the current work to revise personal development processes within the Council.

Officers have prepared guidance documents for elected members to support them in their scrutiny role. Officers should continue to support members once reporting comes into place, both in challenging the information, and scrutinising the adequacy of plans to improve. This will be critical to ensure that the council meets the fundamental requirement of Best Value to effectively challenge and manage performance.

Improvement

The council's Organisational Development Framework (ODF) has been the council's main vehicle for delivering improvement. The ODF included major strategic improvement priorities and also incorporated actions arising from the 2009 BV audit.

The ODF has been led by the Corporate Improvement Team with strong input from the Chief Executive, Assistant Chief Executive and service Directors. The ODF themes are led by senior managers each supported by 5 heads of service drawn from across the organisation to communicate and engage with staff more widely.

The council has made good progress against its improvement priorities over the last year, including:

- Performance management framework developed, including Business planning guidance and agreed business plans.
- Workforce Strategy approved in July 2011 setting out a vision for improved practice.
- Council-wide appraisal process for staff developed and linked to performance Management.
- The Leadership Development Programme in place for senior managers with almost half of the council's 48 senior managers having completed the programme.
- Area and Strategic commissioning frameworks have been developed and are in the progress of being implemented.

Going forward members and senior managers should ensure that they manage the impact of the improvement and change programmes on morale and capacity in the organisation. The recent staff survey is a positive move to better engage with employees and should provide valuable management information for assessing and monitoring morale and engagement in the future.

Resource management (People)

The council has successfully strengthened its approach to workforce management by the introduction of a number of key requirements of effective staff development and management. A revised workforce strategy was approved in July 2011 which sets out a clear vision for improved people management. Other developments introduced under the people management theme of the ODF include: a revised appraisal process to apply across all employees at all levels, and which includes performance management and development; the council's leadership development programme; staff focus groups to improve communication and involvement. "Values cards" have also been issued to all staff to communicate council priorities and to help to strengthen the council's sense of identity.

The council has recently reported on its first full staff survey to be completed for more than ten years. 43% of council staff completed the survey, which was considered to be a positive response rate and in line with other local authority staff surveys. The key findings for the survey included that almost all of the staff (96%) are loyal to the service they work for, with over three quarters (77%) being satisfied with their job. The survey also highlighted that a third of staff (33%) reported that they didn't receive any recognition or praise for doing a good job, that 51% of staff didn't feel secure in their job and that 95% of staff were concerned about the financial challenges facing the council.

The council should strive to maintain this pace of change as it continues to implement the strategy. There remain a number of important tasks to complete and focus has been given to developing workforce planning as part of the business planning process as a priority.

Competitiveness and the Commissioning Framework

In December 2010 the Corporate Policy Committee approved the 'commissioning framework' which had been under development since 2008. This sets out the relationship between the council's service committees as commissioners of services, and the delivery bodies who provide the services. Delivery bodies comprise the council's internal service providers such as DGFirst who provide a range of roads, and environmental services, and external providers including private companies and the third sector.

Service committees have agreed eighteen strategic commissions including environmental and social care services. These set out a range of performance, costs and competitiveness information. This in turn is used to confirm whether the activity will continue to be provided by the in-house or external delivery body provided that it can demonstrate value for money.

The commissioning framework has the potential of being an effective system for the council officers and elected members to formally commission activities, and to challenge whether the delivery arrangements remain competitive. However in this first stage of commissions some of the value for money and comparative performance information is limited or not clearly indicated. There is also limited information on alternative delivery options, especially where the service is already provided in-house and is considered to offer value for money.

The council recognises that this is an evolving process. Service managers should ensure that they continue to develop better comparative cost and quality information and ensure that members are informed of the available options for delivering services, along with their advantages, disadvantages and risks.

A programme of service reviews is also being drawn up which are aimed at securing savings through better practices and more efficient operations. One of these reviews covers the refocusing of Chief Executive Service and has a target of identifying potential savings of £1.3 million over the next two years.

Asset management

The effective management of the council's asset portfolio is essential if the council is to achieve its objectives and get best value from its investment in property and other assets. The current economic climate demands a strong approach to managing assets which is linked and informed by the council's overall priorities and which is supported by good management information. Improving use of the council's Property management Information System (PMIS) will provide a strong base for delivery.

In our 2009/10 final report to members we reported that asset management was still not being carried out at a corporate level and was not integrated with strategic planning. At the time the council recognised this as an important future development to ensure the effective delivery of its corporate priorities and outcomes including managing its significant backlog in property repairs and improving its roads. The council set out an action plan and target for the development of a corporate asset management strategy by September 2011.

There has over the last year been limited improvement in asset management. The council's Asset Management Plans are in place but a corporate strategy has yet to be developed. Improvement actions are however currently in progress which should ensure a best value approach to asset planning and management by the council. These include:

- A programme of area based reviews which will analyse service property needs against current levels of provision - the Strategic Needs and Property Investment (SNAPI).
- The further development of the council's Property Management Investment Systems (PMIS) to better support members decisions on the future of the council's assets in conjunction with the implementation by the Improvement Service of a national property information management systems for elected members (ISSYS).
- The provision of a £1 million fund for planned preventative maintenance works.
- The development of a long term council vision for its asset portfolio.
- A review of the professional and technical services.

The current review of the council's property needs may identify the need to rationalise properties within communities. This will need strong leadership from senior management and members to make such difficult decisions.

There continues to be significant pressures from the backlog in property repairs. The council's Property Asset Management Plan identifies a capital investment requirement of £62.9million for maintenance and £37m for development – therefore total investment need of approximately £100m. The development of PMIS shows that this requires considerable refinement and this work is currently underway.

Fife Council: outcomes of targeted Best Value-related audit work 2011/12

Sustainability audit

The Assurance and Improvement Plan (AIP) for Fife Council identified sustainability as an area of uncertainty. Through the local area network it was agreed that Scott-Moncrieff, as the council's external auditors, would carry out a joint review with Audit Scotland of the council's approach to sustainability issues using Audit Scotland's best value toolkit on Sustainability.

The toolkit is framed around five key questions. Those key questions and the judgements arising from the targeted audit work are set out below.

Key question	Audit judgement
Are sustainability issues embedded into the council's vision and strategic direction?	Fife Council has laid out a strong commitment to embedding sustainability issues into its vision and strategic direction. The Community Plan and Council Corporate Plan are the key documents that set out the council's overall approach to sustainability issues. These set out how it will deliver against economic, social and environmental factors of sustainability. There is a strong commitment to progress the environmental agenda within the community plan and the corporate plan. There are signs of an integrated approach to taking forward sustainability, with a number of thematic plans in place. How these link together and how the council prioritises activity across this number of plans is less clear.
Does the council promote sustainability effectively through its partnership working?	Fife Council has made efforts to improve the strategic focus of partnership working on environmental sustainability, through the establishment of the Fife Environmental Partnership. Although there are initial signs of a strategic focus, more work needs to be done to ensure a greater sense of a shared agenda between partners. On a project by project basis, there is good partnership working with stakeholders, particularly local communities and with the business sector. There is also innovative work with partners on specific asset projects however more strategic work on wider opportunities through joint asset planning is required.
Are sustainability issues embedded into governance arrangements?	There is a clear commitment to the environmental agenda at an elected member level within the council. The Environment, Enterprise and Transport Committee has responsibility for oversight of this agenda. Whilst the committee receives performance reports on progress against this agenda, these are at a service or project level and not against cross-cutting outcome themes. The committee may benefit from receiving reports in a similar format to those used in the community planning partnership, against outcome themes. Furthermore, the committee does not appear to be informed of developments across the community planning partnership on the environmental agenda.
Does the organisation use its resources in a way that contributes to sustainability?	The council acknowledges in its self-assessment that it could do better at improving the sustainability of its physical assets. There are however some good examples of a targeted approach to improving its use of resources through, for example, the whole life costing tool. There are also good examples in terms of the sustainability of the goods and services it buys, including, for example, purchasing of fleet.
Can the organisation demonstrate its contribution towards sustainability?	The council could better demonstrate its contribution towards sustainability across the piece and how it has balanced the sometimes competing demands of environmental, economic and social sustainability. The council can demonstrate its impact against the environmental agenda; however performance reports are based on departmental structures and could benefit from a more integrated consideration of outcomes. There is the basis of effective performance reports at the partnership level, focused on outcomes, although greater buy-in from partners may be required. Senior officers are aware of performance against key environmental priorities and initiatives and the council is focused on driving improvement forward.

The Moray Council: outcomes of targeted Best Value-related audit work 2011/12

Roles and relationships

In summer 2010 Audit Scotland and HMIE undertook the scrutiny activity on leadership and direction set out in the 2010-13 Assurance and Improvement Plan. The objectives of the scrutiny work were to:

- evaluate the quality and effectiveness of local political leadership in Moray Council
- evaluate member commitment to their own development
- assess the extent to which members lead the equalities agenda
- in conjunction with HMIE, assess the council's progress in improving the strategic direction of the authority's work to ensure greater impact on all learners.

The joint team interviewed both members and officers, held a member focus group and carried out a members' survey. The key findings of the scrutiny audit activity were that:

'The council has made some progress in improving strategic leadership. The council shows awareness of the need to strengthen working arrangements by clarifying the respective roles and responsibilities of councillors and officers, to support them in working together towards a shared vision and to provide clear strategic leadership. Councillors and officers need to address this issue as a priority. Councillors still lack commitment to the equalities agenda and to their own training and development. Despite sound advice from officers, councillors do not show sufficient strategic leadership to improve the education for learners in Moray. Improving education for learners, and the equalities agenda are examples of where the council's shared vision still needed to be achieved.'

In February 2011, the Full Council considered the joint scrutiny report's findings and agreed to take the following actions to address its conclusions:

- a report clarifying the role of the Service Development Group within the Scheme of Administration to be brought back to a future meeting. This report to also include the issue relating to the direction to be taken to achieve the council priorities
- the appointment of an elected member champion for equality issues be referred to the Communities Committee for consideration
- a report clarifying the respective roles for senior officers and elected members be brought back to a future meeting
- the Chief Legal Officer to look further at the issues raised in regard to elected member training in consultation with the Group Leaders and non-aligned members.

At the time of the October 2011 report to members of the Moray Council and the Controller of Audit none of these actions had been completed. However, the auditors had been advised that plans are in place to progress these over the next few months and that all should be completed by 31 March 2012. Progress against these actions will be assessed as part of this year's annual audit.

North Ayrshire Council: outcomes of targeted Best Value-related audit work 2011/12

Best value 2 - follow-up

The second audit of best value and community planning of North Ayrshire Council was undertaken in September 2010 and the report published in March 2011. This identified that the council should strengthen governance structures, particularly regarding adherence to financial regulations and standing orders. The Accounts Commission's findings also urged the council to make progress in establishing sufficiently robust performance management arrangements to support elected members in their scrutiny role.

The assurance and improvement plan (AIP) 2011-14 identified two areas of significant risk, governance and accountability and performance management and improvement. As a result of this risk assessment it was agreed that these areas would be reviewed and reported through the annual members report, along with an update on the council's progress with its best value improvement plan.

Performance management and improvement

The council is making good progress with its best value improvement plan. The plan lists 102 actions across the eight improvement areas identified in the best value report, to help deliver its improvement agenda; this was agreed at council on the 16th March 2011. In its latest report (August 2011) 86 of these actions are reported as complete or on target, 12 are slightly adrift of target, and 4 are significantly adrift of target. Since the August report there has been further work carried out and there has been progress on these areas.

The council is clearly focusing on performance management and the change agenda. The council's senior management team and elected members demonstrate commitment to improving and promoting a performance management culture. A recent managers' conference focused on performance management. As well as the leader attending the conference to reinforce the performance message, an elected member has been appointed as a performance management champion.

The council agreed its performance management strategy in August 2011, in which it has set an ambitious vision for performance management: 'By 2014, the council will have sector-leading performance management systems and a supporting performance culture in place'. The strategy is a statement of principles around performance management. The council should use this as a basis for developing a more comprehensive performance management framework and integrating the various performance tools that it has in place.

The council has improved the way it reports its performance. The use of, and access for members to, the covalent electronic performance management system provides more comprehensive performance reporting. It also makes available summary reports to the public as well as more comprehensive performance reports on its North Ayrshire performs website. This approach to performance reporting has improved the scrutiny and challenge of service performance.

The council has identified in its improvement plan further work that it still needs to do to develop its approach to performance management, in particular its work with services around key performance indicators and improved documentation and evidence to support performance.

The council is aware that self-evaluation and continuous improvement is under-developed and not yet embedded in the council. It has identified further work in its improvement plan to take this forward.

Elected members show a commitment to the change agenda and welcome the potential to be involved, seeing self-assessment and the change programme as allowing them more effective control and flexibility in the use of council finances.

The council still has more work to do to develop a culture of continuous improvement and behavioural change across services. There is still a need for some services to buy in to the council's improvement agenda. However the council is improving the way it conducts business and has strengthened its corporate working by providing all levels of management with increased opportunities for cross service collaboration and for identifying and sharing good practice.

The council has increased its capacity through the use of a strategic partner to help progress its change agenda. The chief executive and senior management team are driving the change agenda and recent appointments to this tier have been made to ensure that there are the necessary skills in place to ensure the pace and commitment is maintained.

In taking its change agenda forward and to maintain its momentum the council should review its plans, for both its best value improvement plan and its performance management strategy to ensure that the timescales and implementation dates are realistic and achievable and contribute to the delivery of the council's improvement programme.

Governance and accountability

The council is improving the way it conducts its business. Elected members who sit on the planning, appeals and licensing committees receive specific training. The improvement service has delivered training on scrutiny and challenge. There have been some changes to the way the scrutiny committee conducts its business, with the elected member who is the relevant portfolio holder now invited to respond to reports on their portfolio area.

The council has revised its corporate governance documents, and intends to carry out a further review following the local government elections in 2012 after the appointment of a new council administration. To date the council has revised its scheme of administration, updated its financial regulations and codes of financial practice, and revised its scheme of delegation to officers and its standing orders relating to contracts. The council is also improving the way it undertakes procurement and has put in place a comprehensive programme of training for all relevant staff on the standing orders for contracts and financial regulations.

The council has developed a member's pack containing the revised corporate governance documents. Internal audit reports are available via the council's intranet system. It has also introduced a councillor's code of conduct as well as a member officer protocol along with associated training from the standards commission.

In addition to the work done to support members in their scrutiny role the council has strengthened the way officers conduct business. For example, the capital programme & assets group has revised the format of its monitoring reports, and introduced a business case approach for the consideration of capital bids. The change to the format of reporting has improved the management of the council's capital account, allowing it to manage its projects and resources more effectively. The council has also commenced a significant training programme on financial regulations and standing orders relating to contracts. Officers are required to sign a certificate confirming their understanding of these regulatory documents.

ACCOUNTS COMMISSION

MEETING 14 JUNE 2012

COVER NOTE BY SECRETARY AND BUSINESS MANAGER

**BEST VALUE AUDIT AND INSPECTION OF CENTRAL SCOTLAND POLICE AND
CENTRAL SCOTLAND POLICE JOINT BOARD**

Purpose

1. The purpose of this paper is to introduce the report of the Best Value audit and inspection of Central Scotland Police and Central Scotland Police Joint Board. The Commission is invited to consider the report and decide which of the options for action it wishes to take.

The report

2. This report is the seventh joint Best Value audit and inspection report to be produced by the Controller of Audit and Her Majesty's Inspector of Constabulary for Scotland (HMICS). The process has been influenced by the latest developments arising from the joint scrutiny planning process and BV2 development, and by the evaluation of the two pilot police Best Value audits.
3. Insofar as the report relates to the police authority, it is made by the Controller of Audit under section 102 of the Local Government (Scotland) Act 1973 as amended by subsequent legislation, including the Local Government in Scotland Act 2003. The report is made by the Controller of Audit to the Commission. The report is also being sent to the Clerk of the Police Authority. The Clerk is required to supply a copy of the report to each member of the authority and to make additional copies available for public inspection.
4. The Accounts Commission and HMICS each have statutory powers to audit and inspect BV in police authorities. The Commission is only able to take action in relation to the Best Value audit of the police authority. HMICS's judgements, relating solely to the police force and Chief Constable, are outside the Commission's remit. HMICS is directly accountable to Scottish Ministers.
5. The legislation provides that, on receipt of a Controller of Audit report, the Accounts Commission may do, in any order, all or any of the following, or none of them:
 - (a) Direct the Controller of Audit to carry out further investigations;
 - (b) Hold a hearing;
 - (c) State its findings.

Consideration of the report

6. The Controller of Audit and members of the audit team from Audit Scotland will be present at the Commission meeting to answer questions, along with Andrew Laing, Her Majesty's Inspector of Constabulary for Scotland, and HMICS staff.

7. If the Commission considers that it requires further information to proceed with its consideration of the report, it may direct the Controller of Audit to carry out further investigations. If the Commission is satisfied with the information which it has, it may wish to proceed to make findings unless members consider that a hearing is necessary.
8. The circumstances in which the Commission may wish to hold a hearing are likely to include:
 - where the Commission has serious concerns about the performance of a local authority as demonstrated in the audit report; or
 - where there is a strong difference of opinion between the Controller of Audit and the local authority.
9. Findings may include recommendations and the persons to whom those recommendations may be made include Scottish Ministers, who have powers to make enforcement Directions requiring authorities to take such action as is specified in the Direction.
10. HMICS may also wish to add findings to the report in respect of the police force.

Media

11. Once the report is sent to the authority it is effectively in the public domain and may attract media interest. As with council Best Value audits, it is not intended that any media comment should be made by the Commission until it has deliberated on the report. The approach to media presentation will be agreed between the Commission and HMICS in order to ensure that the joint report together with any findings agreed by the Commission have the maximum impact in promoting improvement in police services.

Conclusion

12. The Commission is invited to:
 - consider the joint report by the Controller of Audit and HMICS on the Best Value audit and inspection of Central Scotland Police and Central Scotland Police Joint Board; and
 - decide how it wishes to proceed.

Paul Reilly
Secretary and Business Manager
1 June 2012

Central Scotland Police and Central Scotland Joint Police Board

Best Value Audit and Inspection



Prepared for the Accounts Commission and Scottish ministers

June 2012

Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. It provides services to the Auditor General for Scotland and the Accounts Commission. Together they ensure that the Scottish Government and public sector bodies in Scotland are held to account for the proper, efficient and effective use of public funds.

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Commission findings

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HM Inspector of Constabulary for Scotland findings

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Introduction

This joint report is made by the Controller of Audit to the Accounts Commission under section 102(1) of the Local Government (Scotland) Act 1973 and by Her Majesty's Inspector of Constabulary for Scotland (HMICS) under section 33 of the Police (Scotland) Act 1967.

The Local Government in Scotland Act 2003 introduced statutory duties relating to Best Value and Community Planning. Its provisions apply to local authorities, including police authorities, and require specifically that:

- councils and police authorities secure best value (defined as achieving continuous improvement in the performance of functions)
- police authorities and chief constables participate in the community planning process.

The Act also amended the audit arrangements set out in the Local Government (Scotland) Act 1973 to cover Best Value and gave powers to the Accounts Commission to examine Best Value in police authorities. HMICS has a statutory duty under section 33 of the Police (Scotland) Act 1967 to inspect police forces and common police services, and to report to ministers on their state and efficiency. The 2003 Act extends this to include provision for HMICS to inquire into and report to Scottish ministers on whether a local authority is carrying out its functions both as a police authority and in relation to a number of matters including Best Value.

The 2003 Act is supported by more detailed statutory guidance on Best Value and Community Planning, and a series of advisory notes on specific topics such as elected member leadership. This guidance is designed to be descriptive rather than prescriptive, defining the goals that organisations should aim for but allowing them local discretion on the methods and routes they use. The Scottish Government has issued further guidance for police authorities and forces. This guidance includes *Justice Department Circular 11/2003 Best Value Guidance, the Guidance for Members of Police Authorities and Joint Authorities* (June 2007).

The scope of Best Value and Community Planning is broad and the guidance and statute indicate that a successful police authority will:

- work in tandem with the chief constable to develop a clear set of priorities that respond to the needs of the community in both the short and longer term
- be organised to support the delivery of these priorities
- meet, and clearly demonstrate that it is meeting, the community's needs
- operate in a way that drives continuous improvement in all its activities.

Similarly, a successful police force will:

- work with its partners and the police authority/police authorities to develop a clear set of priorities that respond to the needs of the community in both the short and longer term
- be organised to deliver these priorities
- meet, and clearly demonstrate that it is meeting, the community's needs
- operate in a way that drives continuous improvement in all its activities.

The key objectives of this joint audit and inspection were to focus on:

- the involvement the board has had in setting the strategic direction for the force and what consideration is given to national priorities and how these are balanced with meeting local needs
- the effectiveness of the board's governance arrangements and in particular the board's links to constituent authorities
- how the board demonstrates community leadership for policing matters and its wider partnership working role and engaging with its communities
- the board's arrangements and effectiveness in scrutiny and challenge of force performance
- the board's role in developing strategies for the use of resources, and how the board plans to manage the transition of these resources to a single police force
- the board's role in equalities and delivering on its single equalities scheme action plan
- the board's role in pursuing a sustainability agenda.

As Best Value and Community Planning encompass a wide variety of activities, it is not realistic to audit or inspect everything in depth. For this reason we carried out our detailed work in two ways:

- We considered the force structure in detail to ensure the audit and inspection took account of the different contexts and policing demands.
- We selected certain aspects of the force's and authority's performance for detailed investigation. We used a wide range of sources, including the force and authority's own assessment of their performance, reports issued following external audit and inspections and the Scottish Policing Performance Framework (SPPF) to assess risks and scope our work to inform this selection.

Our joint report reflects this proportionate approach, with detailed commentary in some areas and more limited coverage in others. Our main audit and inspection work was conducted in March 2012. The report includes a corporate assessment of the board and the force, while the performance assessment covers only the force.

The audit and inspection team were aware of an ongoing conduct investigation into the assistant chief constable. As this is the subject of a separate and ongoing process no additional work was undertaken in this area.

We gratefully acknowledge the co-operation and assistance provided to the team by the Councillor George Matchett, Convener of Central Scotland Joint Police Board; Derek Penman, Chief Constable of Central Scotland Police; Rose Mary Glackin clerk to the board, and all other elected members, police officers and staff involved. We are also grateful to the community partners who participated in the audit and inspection.

The tripartite arrangements and police authorities' leadership role

The force is governed through a tripartite arrangement between the chief constable, Central Scotland Joint Police Board, and Scottish ministers. As the force covers more than one local authority area, a joint police board comprising members from the three constituent authorities acts

as the police authority. Scottish ministers have responsibility for national policy on law and order as well as the power to regulate on various policing matters including pay and conditions. Central Scotland Joint Police Board is responsible for setting the police budget, holding the chief constable to account and ensuring that best value is achieved. The chief constable is responsible for the operational aspects of policing within the force area.

The effect of these arrangements is that the board and the chief constable, although they have different roles, must work in tandem to achieve best value. In this report, we only make judgements on the authority and force, but all parties to the arrangement, including the Scottish ministers, have responsibility for the overall performance of the police service.

The existing guidance for policing (*Circular 11/2003 and Guidance to Members*, June 2007), sets out expectations of the Authority. More details can be found at Appendix 1 of this report.

Police reform

In January 2012 the Scottish Government introduced to the Scottish Parliament the Police and Fire Reform (Scotland) Bill. Its purpose is to create a single police service and a single fire and rescue service. The bill abolishes the existing unitary police and fire authorities in Dumfries and Galloway and Fife and the six joint police and joint fire boards. It provides for the establishment of a new corporate body, the Scottish Police Authority (SPA). The national force will be established in April 2013.

Prior to the establishment of the SPA constituent authorities will make appointments to the Central Scotland Joint Police Board. Following the local government elections of 3rd May 2012, the new board will be responsible for seeing the force through the transition to a single police force and for progressing any improvement agenda agreed as a consequence of this audit and inspection.

Summary

1. Central Scotland Joint Police Board (the board) and Central Scotland Police Force (the force) work effectively together to deliver a shared vision for policing across the area which is based on a strong focus on local community policing.
2. The board has many of the key elements of best value in place. Board members work well with the force in setting a vision and strategic direction for policing in Central Scotland. The board's decision-making structures support effective challenge and scrutiny by members. It receives good quality information in many areas, including on the force's performance on Single Outcome Agreements (SOAs) and its work on shared services. The board could do more to engage directly with communities and board members could have a more consistent approach in relevant partnerships.
3. The board has a good level of self awareness and has prepared a transitional work plan to take forward improvement activity in the run up to the national force being created. The board needs to ensure that it continues to meet its statutory requirements in holding the force to account during this transition period towards a single force while also considering the implications of the new arrangements on the force and its staff.
4. Force performance indicates some good achievements including year-on-year reduction in crime, high detection rates, a reduction in road traffic collisions and an improved use of alternatives to prosecution. Eight out of the nine user satisfaction and quality of service indicators have improved, however complaints against police have increased.
5. The force has an effective working relationship with the board and responds positively to scrutiny and challenge. The force has developed a clear strategy which is informed by communities and is understood by staff. The force has improved processes to manage corporate risk, organisational change and both national and local priorities but it needs to re-instate its internal inspection activity.
6. The force can demonstrate good practice in the way it has developed partnership working which has the potential to be evaluated and shared across the Central Police area and nationally. The force continues to improve its approach to community engagement through Police and Communities Together (PACT). Both partnership working and community policing has scope for sharing good practice. The force is well positioned to sustain performance whilst preparing for the transition to a single police force for Scotland by April 2013.
7. The force has a well developed approach to managing performance and improvement covering national, force and local priorities and organisational change. Performance statistics provided to the board are enhanced by up-to-date contextual information. The force is in the process of improving middle managers understanding of how to use existing performance management arrangements to deliver more effective and efficient services.
8. The force has managed its budget reduction well and continues to identify efficiencies together with partners. The force actively scrutinises all areas of spending and seeks to

improve efficiency by collaborating with partners and other forces to coordinate procurement and identify shared services opportunities.

9. The force is actively involved with its communities and can demonstrate a broad range of diversity initiatives and improvements in the management of equalities and hate crime. The force is encouraged to review the arrangements for the lead for diversity in the force. The Lay Advisor Group is an excellent cultural resource that could further support the force in its diversity work. The force has made good progress in the recruitment and retention of female officers.
10. The force has been proactive in preparing to move to a single national police service. This has required a considerable investment of time and as a result has not been without some risk to the force. However, the contribution of members of the force executive has helped the force prepare for the transition to a single police service for Scotland in April 2013.

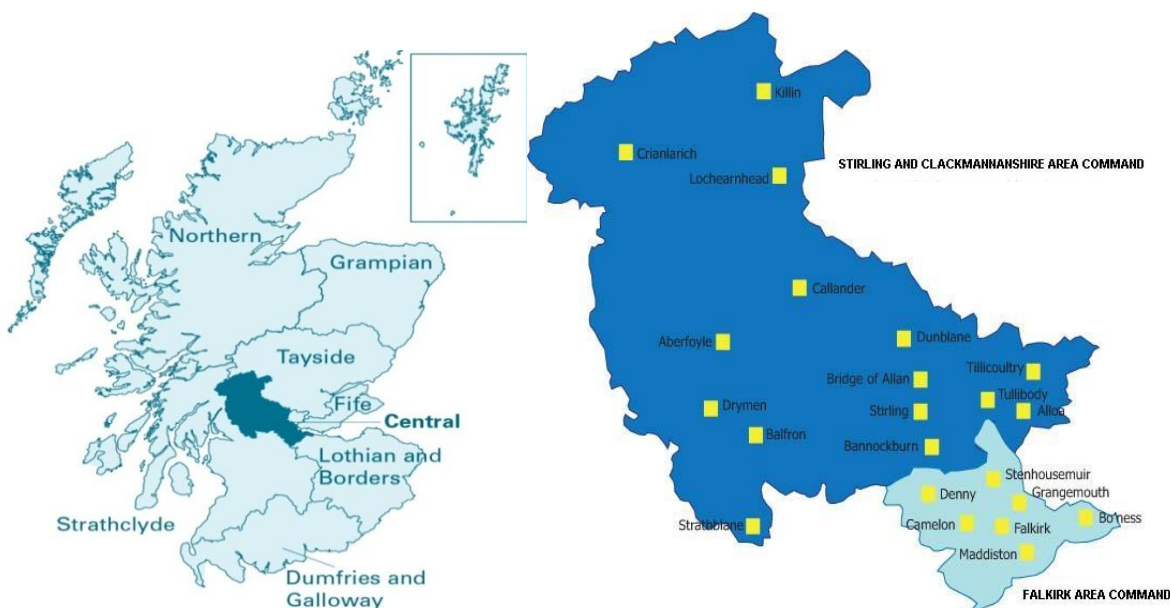
Part 1. Context

The local context

11. Central Scotland Joint Police Board and force cover the local authority areas of Falkirk, Stirling and Clackmannanshire which is spread over an area of 1,024 square miles (Exhibit 1). The total population is around 292,000. Falkirk Council is mainly urban and has the highest number of people (153,280) while Stirling Council covers the largest area, most of which is predominately rural. Clackmannanshire Council is the smallest mainland council in Scotland. The diversity of the area presents its own challenges as well as opportunities for policing in Central Scotland.

Exhibit 1

Central Scotland Police area and command divisions



Source: Audit Scotland/HMICS

12. The central Scotland area includes a number of distinct and unique features:
 - Grangemouth is one of the largest petrochemical complexes in Europe and plays a significant role in the Scottish economy.
 - Much of rural Stirling falls within the boundaries of the Loch Lomond National Park and the countryside and historic sites attract significant numbers of tourists and visitors to the area.
 - Stirling University has a large campus and around 10,000 students.

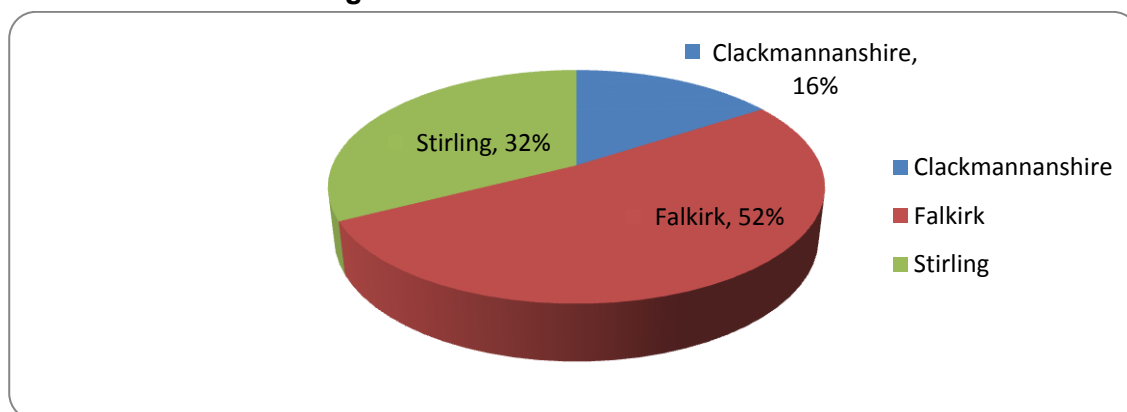
These features bring their own challenges to policing the area.

Police board

13. The main role of the police board is to ensure that Central Scotland Police is accountable for the services it provides. The board has 11 elected members from the three constituent councils: six from Falkirk, three from Stirling and two from Clackmannanshire. At the time of the audit the board was chaired by Councillor Matchett QPM from Clackmannanshire Council.
14. The board is responsible for a revenue policing budget of approximately £49 million (2012/13). It is funded through specific grant funding (approximately £24 million) with the balance coming from its constituent authorities, in 2012/13 this was: Falkirk £13 million, Stirling £8 million and Clackmannanshire £4 million (Exhibit 2).

Exhibit 2

Constituent council budget contributions 2012/13



Source: Central Scotland Joint Police Board

15. The board generally meets five times a year, however since October 2010 it has been meeting almost on a monthly basis to deal solely with an ongoing conduct investigation. It has three main subcommittees which report to the board:
 - Best Value and Audit Subcommittee: to ensure that the activities of the Joint Board follow proper corporate governance principles and promote a sound internal control framework in accordance with audit committee principles. It also ensures that the essential elements of Best Value are adhered to with regard to sound governance, performance measurement and monitoring, continuous improvement and long term planning.
 - Complaints Subcommittee: to discharge the board's statutory function in terms of Section 40 of the Police (Scotland) Act 1967 by being informed of the manner in which the chief constable deals with complaints against the police. This subcommittee also considers complaints made against chief officers under the Police (Conduct) (Senior Officers) (Scotland) Regulations 1999.
 - Physical Resources Subcommittee: to review the effective management and utilisation of the physical resources available to the chief constable. The subcommittee meets twice a year and its regular business includes consideration of shared premises arrangements between the force and other public sector partners.

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16. Falkirk Council provides committee support to the board through the joint board clerk and the assistant to the clerk. Stirling Council provides the Treasury function and Internal Audit.
 17. In January 2012 the board carried out a self assessment exercise which was facilitated by force officers. The exercise was based around the findings from published Best Value and Inspection reports on other boards. A transitional plan has been prepared outlining seven high level priority areas covering key Best Value attributes including training and development, reporting arrangements for use of resources and partnership activities.

Central Scotland Police Force

18. The force executive is made up of the chief constable, deputy chief constable (DCC) and an assistant chief constable (ACC), the director of finance and resources and the head of HR. The chief constable has overall responsibility and is accountable to the board for the effective and efficient policing of Central Scotland. The DCC is responsible for a wide portfolio including human resources, professional standards, media and corporate planning. The ACC is responsible for operational matters and has reporting to him a chief superintendent specialist operations and governance and a chief superintendent, community policing. The director of finance and resources reports directly to the chief constable. There are currently 869.75 full time equivalent police officers working in Central Scotland Police which is within the Scottish Government target for police officers of 868. During the financial year 2010/11 the force accepted application for 20 voluntary redundancies with a further 14 voluntary redundancies and seven compulsory redundancies in 2011/12. Including the deletion of vacant posts a total of 56 posts in total have been deleted from the Force establishment.
19. Central Scotland Police have made a considerable investment in the police reform agenda. As the president of the Association of Chief Police Officers Scotland (ACPOS) Chief Constable Smith has taken overall charge of the programme. Acting Chief Constable Penman is leading Central Scotland Police through to the establishment of the single force, while he and Temporary Deputy Chief Constable Samson also lead on significant strands of police reform in respect of information technology and criminal justice.
20. At the time of reporting a temporary ACC is in charge of operational policing whilst an ACC is absent from duty as a result of an ongoing conduct investigation being considered by the board. These matters are therefore not subject to comment in this report, other than to place into context the interim arrangements for the police senior executive team and the additional pressures and resource implications for both the force and the board.
21. The force is divided into two area commands: Falkirk, and a combined command area covering Stirling and Clackmannanshire.
22. The Falkirk area command is headed by a superintendent and split into three sub-areas commands - Falkirk, Denny/Stenhousemuir and Grangemouth. There are two chief inspectors, one with responsibility for the first two areas and one with responsibility for the latter. They are responsible for community policing teams, tackling and preventing crime and public safety in their areas.
23. Stirling and Clackmannanshire area command covers the two council areas. The Stirling and Clackmannanshire Area Command is sub-divided into three sub-area commands namely

Stirling, Dunblane and Clackmannanshire, providing policing services from a range of police stations, smaller offices and shared facilities from where the eight community policing teams serve the local communities. The area command is lead by a superintendent who is supported by three chief inspectors who oversee community inspectors and community policing teams.

Part 2. Corporate assessment

Vision and strategic direction

The board

The board actively engages with the force to set the vision and strategic direction for policing in Central Scotland. It shows good awareness of and provides direction for what it wants to achieve for the area and has a strong focus on community policing.

24. The police board actively engages with the force in setting its strategic objectives and priorities. It has a strong cohesive vision to deliver policing services to its communities and the board has worked well with the force to ensure this has been incorporated into the Force Strategic Plan. The board and the force developed their vision and strategy and this is encapsulated within a 'wheel' configuration (Exhibit 3).

Exhibit 3

'The wheel'



Source: Central Scotland Police

25. The board considers strategic policing issues at each of its meetings. Board members have a strong focus on community policing and road policing, however this can be at the expense of

national and specialist policing matters such as serious organised crime and multi agency public protection. The force is raising the awareness of the board in strategic matters through updates and overview reporting on issues such as public protection and domestic abuse.

26. Board members, the chief constable and senior police officers work well together. The strong working relationships could be strengthened further by establishing officer and member working groups or involving board members in some of the force governance areas such as the Diversity Forum, the Force Business Change Board or the Force Improvement Board. The board has identified that members could also take on a 'champions role' in areas including equalities and improvement. This would increase the members own knowledge and understanding while enhancing the boards oversight of these areas.
27. The board is proactively considering its arrangements for managing business during the transitional period prior to the establishment of a national force. It has a transitional work plan that considers how it will maintain business continuity during this period as well as how it will work with the constituent councils to inform new governance arrangements. The board is also monitoring the force executive's role on police reform activities and the impact this has on the management capacity within the force.

The force

The force has developed a clear and comprehensive strategic framework which is informed by communities and understood by staff. The force and its strategic partners are confident that the force executive is able to sustain services while preparing for police reform. Given this challenging agenda the force and board should continue to manage the risk this places on the resilience and capacity of senior managers.

28. In 2011 the force identified a lack of clarity surrounding its corporate planning arrangements and set about developing and articulating a new overarching model. It achieved this following consultation with communities, staff and partners and by using IT more effectively. In particular, the force responded to the board's desire to see more of an emphasis on community policing.
29. By updating their systems and processes the force has improved how it manages corporate risk, organisational change and both national and local priorities. In so doing, the force has improved accountability, ownership and how it manages improvement activity. The board approved a new Strategic Performance and Planning Framework in June 2011. The force developed its vision and strategy with the board and this is encapsulated within a "wheel" configuration (Exhibit 3).
30. The outcome of "Trust, Confidence and Satisfaction" is at the centre of the wheel. 'Policing Our Communities', 'Protecting the Public' and 'Improving Service Delivery' are the force's key strategic themes and 16 strategic priorities sit on the outer ring of the wheel and are managed through programme management arrangements.
31. The strategy is understood by staff and the force executive has been highly visible in promoting it. Staff are aware of how force priorities link to their role. They are briefed daily on what the immediate priorities are and expected to develop trust, confidence and satisfaction in everything they do.

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32. By taking a lead role in police reform the force executive is well placed to understand the issues facing the force in preparation for the transition to a single police service for Scotland in April 2013. For example, the force restructured in 2011 to strengthen and rationalise community policing while preparing the rest of the force for a shift to national structures. However, with the board's main priority remaining firmly that of local community policing, and with the force executive contributing significantly to the national reform programme, there is potential for the resilience and capacity of the force executive to be over-stretched. Both the force and the board are alive to these concerns and have taken steps to mitigate the risk. For example, the interim arrangement of having all ACPOS officers temporarily promoted is built upon strong existing relationships between the force, board and partners that provides continuity during the year of transition. Nevertheless, the force and board should continue to work closely together to continue to actively manage this ongoing risk.

Governance and accountability

The board

The board's decision-making structures support effective scrutiny by members and it manages its business well. Members have a good understanding of their roles and responsibilities and this is supported by effective learning and development opportunities. The board should review its support requirements to ensure it has sufficient resources to enable it to continue to conduct its business effectively at a time of significant change.

33. Board members have a good understanding of their role and responsibilities and the board agreed role descriptions for members in May 2010. These clearly articulate the role and responsibilities of a board member, but more work needs to be done to ensure board members, particularly new members incoming this year, continue to develop their knowledge and understanding and the board should monitor whether these duties are being discharged effectively.
34. Board members receive effective learning and development opportunities which support them to undertake their role and responsibilities. Following their appointment to the board in August 2007 all members received induction training and they have also had the opportunity to access a variety of training and development events, but attendance has been variable (Exhibit 4). Members have undertaken a Training Needs Analysis, to identify personal priority areas for development. Joint budget planning training was also held with the joint Valuation and Fire Boards during 2011. The board recognises that it can improve on its current arrangements. Its improvement plan identifies priorities including; induction and continuous training for all members, consideration of mandatory training for certain functions and the development of a training scheme based on a further training needs analysis.

Exhibit 4

Board members training and attendance

Training Session	Number of members attending
Induction (August 2007)	12
Equalities and Diversity (February 2009)	5 (and 2 substitutes)
Scrutiny (September 2009)	5 (and 4 substitutes)
Equalities	3 (and 1 substitute)
Appointments (appointments committee only)	5
Use of Handcuffs (Complaints sub committee only - August 2009)	3
Threat to Communities (November 2009)	8 (and 1 substitute)
Modernisation Update (May 2010)	9 (and 1 substitute)
Contest - Prevent (August 2010)	8 (and 1 substitute)
Dip Sampling (complaints sub committee only - October 2010)	4
Strategic Plan (February 2011)	5
Control Strategy Priorities (February 2011)	7 (and 2 substitute)
Police Stop search powers and procedures (complaints sub committee only - August 2011)	4 (and 1 substitute)
Custody Enhancement Project (Best Value and Audit sub committee only - September 2011)	4 (and 1 substitute)
Force Improvement Plan (Best Value and Audit sub committee only - September 2011)	4
Best Value Audit (January 2012)	7 (and 1 substitute)

Source: Central Scotland Joint Police Board

35. The board conducts its business effectively and all full board meetings are held in public. The minutes and papers are made available to members one week in advance of the meetings to ensure sufficient time is available for them to become familiar with their content before board meetings. The board has effective pre agenda arrangements that ensure it has a role in setting meeting agendas and a role in reviewing the quality of the information in papers being presented. These meetings are held two weeks before the main meetings and are attended by the convener and vice conveners. The convener is mindful that these meetings are not open to the public and does not allow discussion on the detail of papers. The board is considering how all board members can influence meeting agendas.

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36. Board papers are accessible and the agendas, associated papers and minutes from previous meetings are publicly available via the joint board website. The quality of reports is generally good with sufficient information to enable members to make informed decisions.
 37. The format of reports is improving and reports include sections for information on the implications on finance, personnel, diversity, shared services and sustainability. However, the information reported in these sections is often limited and needs to improve and be more consistent. Further improvements are needed to ensure the reports contain information that is up to date and complete particularly in relation to the financial implications of decisions. A number of reports identify no explicit financial implications but at the same time refer to costs within the body of the report, for example in reports on shared services and the rental of premises.
 38. A high number of reports are tabled for noting and this can limit member's opportunity to comment and effectively consider reports. The board should consider alternative ways of distributing reports for noting to ensure the time spent at board meetings is used more effectively.
 39. Following each meeting an action note is issued to the force. These notes record the decisions taken and any follow-up action required. Although the notes are a good tool for ensuring decisions are followed-up by the force they are not tabled at any subsequent board meetings to allow the board to ensure that appropriate action has been taken timeously.
 40. The board's decision-making structures and the way it manages its business support effective scrutiny and challenge of the force by members. Members ask relevant questions of officers and ask for further information or future action where necessary. This is generally consistent across all areas of force business, however further improvements are required to hold the force to account on their performance in relation to specialist policing priorities.
 41. The board has good business arrangements in place to support the scrutiny of police complaints. The complaints subcommittee is effective. It considers reports on how the chief constable deals with complaints against the force and complaints made against chief officers. Members have taken part in specific training and demonstrations of police working practices to develop a better understanding of the nature of complaints. Members have also had training in 'dip sampling' by carrying out a sample audit of complaints, however this has only been used once by a vice-convenor and could be used more systematically.
 42. Board member's role descriptions highlight that they should represent the interests and convey the views of the board within their own constituent councils and associated bodies. Further work is needed to ensure this role is being undertaken effectively. Although each council has its own informal approach there are no formal reporting arrangements in place for members to report back to their councils on the work of the board or the force. In Stirling, members report any issues by exception, but as the force is performing well have not felt the need to do so. In Falkirk the minutes of joint board meetings are made available publicly on its website. In Clackmannanshire the agenda and minutes are made available via the member's portal. There are more formal partnership arrangements for senior council officers to meet and work with the force executive where matters such as budget issues, joint

working opportunities and police reform are discussed. The board has recognised the need to formalise communication of board outcomes and impact to constituent councils.

43. The board receives good support from the clerk and assistant clerk to the board. Falkirk council provides committee support to the board through the joint board clerk and the assistant to the clerk. There is no service level agreement in place between the board and Falkirk council for the level of work they undertake and the council absorbs much of this cost. The board also receives support from Stirling Council. The council provides the Treasury function and internal audit. This is provided through a service level agreement and costs the board approximately £100,000 per annum for these support services. The board does not have any dedicated policy support which means that it is reliant on the force for this work and does not have access to independent advice. While board members consider that they receive a good service from the support arrangements in place they have not evaluated whether or not there is sufficient capacity in these arrangements to effectively support members in undertaking their role. For example, the clerk has recently spent a significant amount of time in supporting the board in dealing with an ongoing conduct investigation while at the same time being responsible for the board's ongoing business and other council work. The board should review its support requirements and ensure it has sufficient resources to allow it to conduct its business effectively.
44. The board operates the Independent Custody Visiting Scheme (ICVS). Custody Visitors are independent members of the community who make regular unannounced visits to persons held in police stations to check on their welfare and on the conditions in which they are held. They are volunteers and receive only travel and subsistence allowances from the board. The assistant clerk administers this scheme on behalf of the board and is the Scottish Scheme Administrator on the national executive of the Independent Custody Visiting Association. The board receives an update report annually on the operation of the scheme.

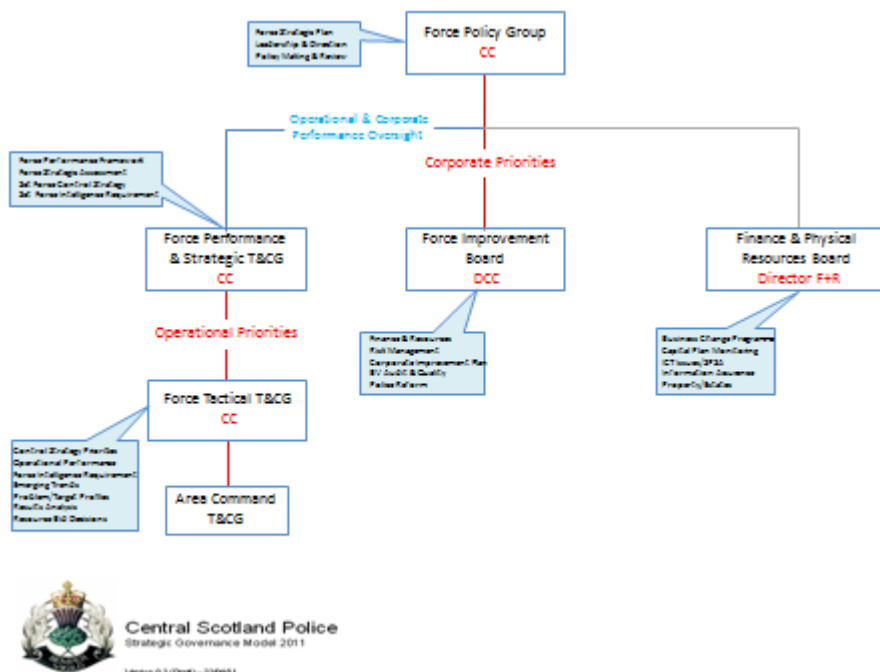
The force

The chief constable and force executive have effective working relationships with the board and respond positively to scrutiny and challenge. Internal governance arrangements, risk management and the communication of decision-making have all improved, but there is a need for the force to re-instate its internal inspection activity. In the lead up to the formation of a single force, a greater level of scrutiny and challenge by the board is needed to support the force.

45. The working relationship between the force and board is professional and constructive and the force responds positively to scrutiny and challenge by the board. For example, the board rejected proposals regarding changes to terms and conditions of police staff members and requested further reports to allay concerns about stop and search powers and procedures and the use of force. In 2011 the force and board were jointly involved in workshops to review emerging issues, identify improvement themes and to develop a strategic work plan for future governance, scrutiny and accountability arrangements. The force has improved the public reporting of performance and police activity. Reporting, through the "My Area" web pages, is balanced, detailed and relevant to local communities.

46. The force has recently improved and clarified its governance structures (Exhibit 5). Risk management, organisational change and decisions relating to performance are open and transparent and communicated effectively. However, owing to staff absence, quality and audit work was temporarily disrupted, but the force is taking steps to re-instate regular inspection activity and has now identified resources to carry on the work around high risk areas that have the potential to impact on public confidence, for example the internal audit of crime recording.

Exhibit 5



Source: Central Scotland Police

47. The introduction of the Force Improvement Plan (FIP) and Force Risk Register ensures that all risk management and improvement decisions are electronically recorded in one location, including actions from the board and from the force executive. The FIP is monitored at the Force Improvement Board, which is chaired by the deputy chief constable and reports to Force Policy Group. The FIP also helps to coordinate and monitor the divisional and departmental improvement plans. The FIP has the potential to be resource intensive to manage, but it is a comprehensive method of capturing, monitoring and managing decisions. At present, the board does not have direct access to the FIP because it is hosted on the force IT network. The force is encouraged to explore potential solutions to allow the board access to the FIP, particularly for those areas that involve decision-making by the board.
48. Because of the limited resource available to the board, the force works with the clerk and assistant clerk to ensure the efficient exchange of information, including detailed performance reports, and the smooth handling of policy and scrutiny. This joint arrangement works well but it is not clear how proactive the board is in setting agenda items.
49. The force's handling of complaints is sound and it takes a robust approach to dealing with service complaints. The force actively analyses performance information and the lessons

learned are used to improve services and prevent complaints. The board take an active role in monitoring performance with a proportionate and appropriate level of challenge. At present, learning arising from complaints is handled informally, being passed from the deputy chief constable to area commanders and chief inspectors. Where there is a substantive change in practice arising from learning outcomes a Force Order is compiled and disseminated through the force.

Partnership working and community leadership

The board

Board members have a good understanding of the policing issues affecting their local communities and the board monitors force performance using outcome indicators from the SOAs. It also scrutinises shared services arrangements effectively. However, there is no consistent approach in member's involvement in partnerships and the board recognises that it can do more around partnership activities and has included this in its transitional work plan.

50. Board members are involved in various aspects of partnership activity including Community Planning Partnerships and the Criminal Justice Authority. However, this is in their role as elected members of their constituent authority and is not consistent across all councils. There is no clear link between board members and the three community safety partnerships covered by Central Scotland Police. Members could do more to further the interests of the board by taking a more active and visible role in partnership activities and work with local organisations and representative groups. The board recognises that it can do more around its partnership activities and has included this in its transitional work plan.
51. The board receives good information which helps it work with community planning partners. It receives quarterly reports from the force on performance against the SOA priorities. The level of information in these reports has improved and now provides details on performance broken down by local authority area, along with contextual comment and recommended action. Further improvements could be made to these reports to clearly link the force performance with the police resources committed to delivering these priorities.

Shared services

52. The board has good oversight of the force's approach to shared services. The Physical Resources Subcommittee receives reports from the force on the board work to develop shared services, in particular on the opportunities for shared premises. The board has a good understanding of community issues and uses this local knowledge when considering opportunities for shared resources between partners. This is based on the shared premises agenda and is linked to a wider Forth Valley consideration of rationalising public offices.
53. The force is a member of the Forth Valley Public Sector Property Group which involves NHS Forth Valley, Central Scotland Fire and Rescue, Scottish Ambulance Service and the three local authorities. The group is aiming to develop an area-wide joint property and asset management strategy and produced a report in June 2011 which, at the time of the audit and inspection, was out for consultation with partners. However, neither the joint board nor its

subcommittee has been involved in discussions and the implications of this wider strategy. The board would benefit from accessing reports on the property group in order to give it a fuller insight into the strategic approach across Forth Valley for property and asset management.

The force

The force invests heavily in strategic and tactical partnerships aimed at improving community safety and public protection. The force can demonstrate good practice which has the potential to be shared across the police area and nationally. The force and key strategic partners within the Forth Valley area aim to retain the benefits of partnership working within a single police service in Scotland.

54. The force has been proactive in developing partnerships, for example the pan-Forth Valley Strategic Coordination Group. There is good evidence of continuous improvement in the reporting of partnership outcomes, access to services by all and the use of social media to promote partnership activity.
55. Strategic partners engage regularly and jointly on issues of efficiency and effectiveness and there is a strong and mature partnership culture. For example, Central Scotland Police operates a scheme where partner agencies work together to ensure that victims and witnesses receive appropriate, high quality, professional and caring assistance. The 'Victims First' objective aims to minimise the impact of a crime or incident by providing an accessible and locally based response.
56. The force has also worked with partners to rationalise services and deliver value to communities. For example, the force recently took over 'out of hours' calls for Clackmannanshire Council. This was achieved within existing resources and resulted in a saving to the council. The force actively scrutinises all areas of spending to improve efficiency by collaborating with other forces for example it has a service level agreement with Strathclyde Police for purchasing uniforms and procurement arrangements with the Forth Valley Property Group.
57. The force has pursued numerous other initiatives to improve partnership working. For example, a partnership strategic assessment has been introduced in the Falkirk area with the support of the community planning and community safety partnerships which forms the basis of a partnership tasking and coordination process. This allows clear objectives to be set for all partnership activity, with an agreed set of measures and targets to track progress and demonstrate the impact of partnership working. The assessment helps to make resource commitments clearer and helps to ensure that the skills mix of partnership groups is considered and ensure that the appropriate people are involved.
58. The Falkirk partnership tasking and coordination process is more established than the arrangements in Stirling and Clackmannanshire. An evaluation of the Falkirk strategic assessment and tasking process should take place to identify strengths, areas for improvement and lessons learned which can be then shared as good practice elsewhere in the force area.

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59. A multi-agency screening hub (MASH) in Larbert has been introduced to improve public protection through shared services, co-location, joint working and effective information sharing and decision-making. Although in the early stages of implementation, the MASH brings together much of what is recognised as good practice from across Scotland. Building on the concept that public protection, community safety, repeat victims, vulnerable adults and child issues can be best dealt with through a single joined-up approach, the MASH acts as a conduit for all public protection reports (some 13,000 each year) and allows for fast time multi-agency screening, decision-making, information sharing, case-conferencing and action. Partners achieve this by sharing intelligence and by making decisions together with a broad range of stakeholders, including community, charity and volunteer partners in the third sector.
 60. The MASH initiative covers the whole Forth Valley area but each local authority is at different stages in converging to the single hub approach. The strategic partners are sure that the approach to improving social outcomes, particularly for children and vulnerable persons, has the potential to deliver best value and consider that this is a model for public protection in Scotland. The project is at an early stage and the partners should carry out a formal evaluation as soon as practicable and share the results with other forces and the Police Reform team for consideration while developing future structures.

Community leadership and engagement

Board members have a good understanding of issues affecting their local communities. It needs to raise its awareness of the community engagement activity carried out by the force.

The board

61. In May 2010 the board agreed role descriptions for its members. These included a key task for members to represent and act as an advocate for the interests of the board and liaise and work with local organisations and representative groups to further the interest of the board. Members work well with their local communities, although this is not formally in their role as representatives of the joint board.
62. Members have a good understanding of the needs of their communities and use this knowledge to influence the way policing is delivered in the area. Board members engage with their communities by attending local events and community council meetings in their role as local councillors. Board members consider that along with the attendance of local community police officers and the presentation of People and Communities Together priorities to these forums, they are in a position to understand, respond to and represent local policing concerns.
63. The board is responsible for scrutinising the force's approach to engaging with local communities. However, the information provided to it by the force is limited, particularly on its performance against the community engagement standard. The board agreed the force's community engagement standard in February 2010, but there does not appear to have been any further reporting or follow-up work to demonstrate that the force is adhering to the agreed standard. Although the board receives quarterly reports from the force on its performance against the strategic theme of 'trust, confidence and satisfaction', including

results on service user satisfaction, perception and trust in the police there is limited data or analysis on its actual community engagement activity.

64. The board does not have its own arrangements for communicating and engaging with its communities and does not engage directly with its communities through surveys or other feedback mechanisms. The board recognises in its improvement plan that it needs to develop a formal method of recording community issues and views.

The force

The force demonstrates a high level of commitment to policing communities and is improving its approach to community engagement through PACT. Community satisfaction is improving, and the force is well placed to sustain community engagement and deliver services to communities whilst preparing for transition to a single police force.

65. The force clearly articulates its commitment to communities in its Strategic Plan 2011-2015. The force executive is attuned to the fact that this area of policing attracts a lot of attention and challenge by the board. The force has responded by increasing the number of community police officers from 64 to 117 over the past five years, by improving the skills and enhancing the responsibilities of community officers and by reducing abstractions of officers from their core role. Central Scotland Police is a relatively small force and senior managers are able to quickly identify community risk and concerns of local partners and communities and ensure that action is responsive.
66. The PACT process is operating well and there is clear evidence of community officers taking steps to understand the needs of communities and setting local priorities. This is achieved through effective consultation, planning and reporting back to communities. The introduction of PACT led to the development of Community Policing Forums that are involved in how priorities are presented and how communities feed into this through a process of 'You said, we did' reporting.
67. The force is also using PACT to inform response teams and demand management. In Bannockburn the force is testing an approach which links demand management with PACT priorities so that response teams are aware of the priorities in areas where they are being deployed. Community policing shifts have recently been reviewed following consultation and agreement with the police federation and the planned changes to shift patterns will improve overall capacity spread across 24/7 with community officers working more days and a less compressed shift pattern.
68. Although the PACT process is sound, there are variations in the quality of PACT reporting and it could be more quantifiable in terms of results and more specific around prevention, intelligence and enforcement activity. There is also scope to improve the quality of analysis, and sharing of good practice to improve community policing across the force area as a whole.
69. In 2011-12 the force achieved an impressive turnaround in customer satisfaction rates relating to the updating of victims and eight out of the nine user satisfaction and quality of service indicators have improved.

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70. The force can demonstrate a strong commitment to community policing and continues to work to 'lock in localism' to ensure that communities continue to receive a high quality of service in the final year of Central Scotland Police. The force has restructured, strengthened and increased resources within community policing which remains a key priority for 2012-13.

Performance management and improvement

The board has good arrangements in place to scrutinise force performance. It receives good quality reports and has influenced reporting arrangements. The board could do more to prioritise and monitor force improvement activity.

The board

71. The board has good arrangements in place to scrutinise the force's performance and these are continuing to develop. Members consider a wide range of performance on a quarterly basis at board meetings. This covers performance at a strategic level, on outcomes from the SOA and crime statistics, as well as performance at an operational level, for example on road collision statistics. This is supplemented by regular reports by the force on the implementation of its Improvement Plan. The Best Value and Audit Subcommittee considers force performance against the indicators contained in the SPPF and Force Performance Framework (FPF).
72. The force continues to explore innovative ways of presenting information to board members such as through live demonstrations of the FIP during board and subcommittee meetings. The force has given presentations to the board to explain in more detail the information provided and the management system that the force uses. Although the board does not currently have direct access to the force's performance management system these presentations have helped develop board members knowledge and understanding. This allows the board to work with the force to explore new ways of presenting information to improve how members can scrutinise performance.
73. The board has influenced how the force reports performance, such as the information on injury road collisions. This has improved the understanding by board members and in turn the effectiveness of their scrutiny. As a result of a challenge by the board on how collision information was being reported, the force improved the presentation of information, in particular by mapping of the locations of collisions across the force area so that board members could relate this to council initiatives such as traffic calming. The board needs to improve its understanding and scrutiny of specialist policing performance such as serious organised crime and public protection by exploring with the force how information is presented.
74. The Best Value and Audit Subcommittee effectively scrutinises how the force conducts its business, but it could be more involved in prioritising areas for review. The subcommittee approves the annual internal audit plan and receives a regular position statement on progress against the plan for noting. It also considers reports on the force's progress against recommendations made by HMICS and how the force is progressing its Best Value Service Review Programme. These reports however, tend to focus on what stage a review is at, rather than the actual findings of the reviews. There is little evidence to indicate that the

board itself initiates or prioritises review work beyond that identified by the force. The board recognises this and has included an item on its improvement plan to address this.

75. The board endorses the force's annual report in a foreword but it does not produce information in its own right. The board should consider how it publicly reports and accounts for the work that it does in order to demonstrate it is meeting its public performance reporting duties.
76. The board is aware of areas where it needs to improve. In January 2012 the board, in conjunction with the force, undertook a self evaluation using the Best Value characteristics and the findings from previous Best Value and inspection reports. From this it identified improvement activity and at its meeting on 23rd March 2012 agreed a transitional work plan (Exhibit 6). The transitional work plan is still under development and its contents are to be refreshed following the formation of a new board after the local government elections in May 2012. The board has also committed to incorporate improvement actions arising from this Best Value audit and inspection report and any emerging areas from the police reform work.

Exhibit 6

Central Scotland Joint Police Board transitional work plan - March 2012

Central Scotland Joint Police Board Transitional Work Plan - March 2012

- Newly formulated Joint Police Board to maintain and build on the existing high levels of scrutiny and challenge of the Chief Constable and Force during the period of transition to a National Force. At the same time the Board will work with partners and Government to inform the establishment of the new governance arrangements and following transition ensure that those Local Authority Police (or Blue Light) Committees are appropriately formed to afford the same level of scrutiny and challenge to the Local Policing Commander.
- Induction and Training Programme to be fully developed to ensure that all board members, including returning and substitute members are provided with approved induction and training to allow them to fulfil their responsibilities. The training programme will include the following areas:
 - Scrutiny; audit; resources; equalities; budget setting, Police reform agenda and awareness presentations from the Force on operational aspects of policing.
- Joint Police Board and members to engage more proactively with constituent Councils and Community Planning arrangements to further develop community planning activity in order to improve outcomes for communities.
- Joint Police Board to ensure that Central Scotland Police provides enhanced reports for workforce planning and asset management. Reports should include all relevant contextual information to allow members to conduct effective scrutiny and challenge.
- Members to consider developing identified "Portfolio Champions" for specific areas, such as Equalities and Improvements. Such "Champions" to undertake participatory roles within key Force Governance Groups to allow them to fulfil their responsibilities. Formal remits should be developed to allow appropriate scrutiny and feedback to the Board.

Central Scotland Joint Police Board Transitional Work Plan - March 2012

- Central Scotland Police and Central Scotland Joint Police Board to work collaboratively to maintain trust, confidence and satisfaction within the communities of Clackmannanshire, Falkirk and Stirling during the transition of Police Reform.
- Joint Police Board, in partnership with the Force, to develop its strategic approach to sustainability and embed across all areas of business.

Source: Central Scotland Joint Police Board - March 2012

The force

The force has a well developed approach to managing performance and improvement, covering national, force and local priorities and also organisational change. Performance statistics provided to the board are enhanced by up-to-date contextual information and the force continues to explore ways to better inform stakeholders how resources are being used to deliver performance.

77. The FPF is comprehensive, outcome focussed and includes both operational and organisational assessments. The FPF effectively integrates service planning and delivery. Local (PACT) and national (Scottish Police Performance Framework) indicators are included in the FPF and the board receives quarterly reports at the Best Value and Audit Subcommittee. The force produces performance reports which include information on SOAs and comparative information on other Scottish forces. Performance information provided to the board is of a good quality and better ways of presenting the information are being trialled, to include information on impact. The introduction of quarterly reviews of the strategic assessment and reports to the board containing POA information has helped the board better understand where resources have been applied and policing outcomes.
78. All indicators are held on a 'Master' Framework. Key managed indicators are considered by the force Policy Group and the board. Useful up-to-date contextual indicators are included, for example, in respect of underperformance and proposed improvement plans, and these help to inform the monthly tactical tasking and coordination meetings and quarterly strategic meetings. The FPF provides reports across the force governance structures at tactical, strategic, board and public levels. There is a clear link between the FPF and the force strategy.
79. The force has made 'trust, confidence and satisfaction' central to its vision and it is well defined in terms of customer satisfaction, quality of service, complaints and call handling. The strategy is understood by staff, but the force has identified a skills gap in middle management and supervisors around how best to access and use management and performance information. The force has recognised that middle managers need a better understanding of how to use existing performance management arrangements to deliver more effective and efficient services.

Use of resources

The board has good arrangements in place to oversee the use of resources. However the scrutiny of some aspects of this can be inconsistent, such as workforce planning.

The board

Managing finance

80. The board approves the revenue budget and capital plan and effectively oversees the financial management of the force however it is not formally involved in developing the budget. It receives regular detailed budget monitoring reports on the force's revenue budget and its capital plan at its full board meetings.
81. Members have a good understanding of the financial challenges the board faces. The board has made progress in addressing these challenges by focusing on the implications of efficiency savings on police numbers and other staffing implications such as voluntary and compulsory severance. While the Treasurer meets regularly with the force director of finance the involvement of board members in budget discussions is through the convener and vice conveners at pre agenda meetings.

Managing people

82. The board undertakes limited scrutiny of how the force manages its workforce. Although it considers regular update reports on human resource (HR) issues, as a standing item on the board's agenda the reports are subject to only limited scrutiny. Board members consider a range of issues including attendance management, recruitment, staff development and health and safety. The board has been more challenging on other workforce issues. For example, the board decided not to consider proposals put forward by the force in a report to the board on Police staff terms and conditions of service until a job evaluation process was completed.

Managing assets and other resources

83. Board members effectively scrutinise the force's asset management through the physical resources subcommittee. The subcommittee approved the force's asset management strategy in August 2010. It also approved the force's approach to exploring future shared premises options with local public sector partners and it regularly considers reports on the force's Asset Management Strategy, property options, carbon reduction plan and updates on shared premises.
84. The Best Value and Audit Subcommittee oversees the force's risk management arrangements. In February 2010 it considered a report on the force's risk management arrangements and agreed to receive future reports on a quarterly basis. At the meeting it also requested that the force develop an appropriate mechanism to facilitate members' involvement in the development of Risk Registers at an early stage and training for members. Despite this, there is no evidence to indicate that this has taken place. At its meeting in February 2012 the subcommittee was provided with an update along with a presentation of the risk management system that sits within the force's improvement plan.

The board has identified the need for the board to be more involved in the management of risk.

85. The board is considering establishing a subcommittee to oversee the use of all forms of resources and this has been included in its transitional plan.

The force

The force has managed its budget reduction well, worked hard to minimise the impact on staff and continues to meet its efficiency targets. The force has been proactive in preparing to realign resources to national police structures and functions.

Financial management

86. The force actively engages with some members of the board, chief executives and chief financial officers of local authorities to discuss and agree priorities and budgets for the force. The constituent authorities have recognised the financial challenge faced by the force and supported the 2011/12 budget approved by board. Although this required a reduction in police staff of over 10 per cent, it enabled the force to maintain its front line capability and satisfy the Scottish Government target in relation to police officer numbers. This required a 2.17 per cent increase in the contribution by the constituent councils, even though their revenue support grant was being reduced by 2.6 per cent on average.
87. The current police grant allocation model still leaves the force nine per cent below the national average in funding per head of population. The force has maintained open face to face communications with staff as reductions have been made to the number of staff posts, but staff remain extremely concerned about their future. In 2011/12 a 2.6 per cent reduction in grant funding was met amongst other factors, through non-staff savings of over £700,000 and staff reductions netting over £1 million savings.
88. In the lead-up to the 2011/12 budget the force identified that budget cuts were likely as a result of impending constraints in public funding, and decided not to fill vacancies as they occurred pending the 2011/12 budget settlement. The voluntary redundancy and early retirement scheme was also introduced which created further vacancies. The majority of staff savings were achieved through management of these vacancies and a programme of redeployment and were identified as being achievable without a significant impact on front line operational activities. The force also carried out options appraisals on the communities policing and crime and specialist operations where significant proportions of the savings identified relate directly to frontline roles that would require being backfilled with police officers an option considered to be both expensive and counter-productive. The force provides the board with regular detailed financial update reports including an overview of efficiencies made within the annual Revenue Budget Proposal Report submitted to the board. This report also provides brief information on the efficiencies the force has made over the preceding year, although it does not provide specific details in respect of these efficiencies.
89. Like all forces in Scotland, Central Scotland Police has been working to achieve efficiency savings. While it has exceeded its targets in the last three years (up to 2010-11), it has consistently been among the lowest performers. For example, in 2010-11 the eight forces

combined to achieve savings of more than 55 per cent over the target, Central Scotland Police exceeded its target by a more modest 11.1 per cent. This level was achieved in the context of funding below the national average and the rate of police officers and police staff per 10,000 population also being below the national average.

90. As with the other Scottish forces, the force is developing Police Objective Analysis (POA) to enable the force and the board to better manage finances and resources. The force is extending the use of POA to link cost and performance as the basis for a better understanding of resource allocation within the force.
91. The force has identified how future developments might impact on its financial management arrangements and is proactively managing the risk. In January 2012 the force amended its operational command structure to better support the transition to a single force. Crime management and communities policing were brought together, whilst the majority of specialist support and corporate support functions were amalgamated under a single specialist operations and governance command. The police reform agenda has changed the mindset of the force executive from one of workforce modernisation – increasing police staff – to a new imperative of maintaining police numbers, 'locking in localism' and preparing for transition to a single force.
92. In this final year of Central Scotland Police existing as a separate entity, the force has no significant or exceptional capital expenditure planned.

Workforce management

93. The force human resources strategy is incorporated within the force strategic plan and is in line with the ACPOS People Strategy. The Force Policy Group determines the strategy on any staff allocations based on individual business cases, or fluctuations in service demand. In 2011 The Force Establishment Group was formed to better manage the officer and staff complements against the budget and the Scottish Government Additional Capacity Target.
94. At the end of March 2011 Central Scotland Police employed a total of 1,245 officers and staff. The force's rate of police officers per 10,000 population is below the average for Scotland (30.1 compared to 33.6 for Scotland). This is also case for police staff (12.3 compared to 12.9 for Scotland). The force has one of the lowest proportions of police support staff in the country, and the latest half year figures show that numbers have continued to reduce in 2011-12.
95. During the audit and inspection we examined the impact that this is having on the force. For example, traditionally the force has been very strong in making sure that its pending cases are entered into the electronic Criminal History System(CHS) to within the national targets, 70 per cent within 24 hours; 90 per cent within five days. In the three years to 2010-11 the force recorded the highest proportion in Scotland for entries within five days, at consistently over 98 per cent. It also enjoyed the highest rates for cases entered within one day for the previous two years. The force recognises that the conscious decision made under the Strategic Spending Review to reduce the number of staff in this function has led to a reduction in performance previously achieved. However, even though entries within 24 hours

on to CHS has reduced to 88 per cent, this is still 18 percentage points above the national target of 70 per cent.

96. In 2010-11 the force had the highest, albeit declining, proportion of its police staff payroll that is accounted for by overtime, 2.4 per cent compared to a Scottish average of 1.5 per cent. In December 2011 approximately 96 police officers (about 11 per cent) were sitting with over 40 hours each of time to be taken off which had accumulated through accepting such time off in lieu of financial payments. The force has been active in trying to reduce the police officer overtime budget and is projecting to achieve around a ten per cent (up to £200,000) reduction in spend. Nevertheless, data for 2011-12 show an increase in police staff overtime, with the proportion for police staff payroll now sitting at 2.9 per cent. The force has suggested that this may be related in part to the reduction in salary costs as a result of the 2010 spending review, with a similar amount of overtime spend showing proportionately higher against a reducing salary baseline.
97. In contrast to the national trend, the number of special constables per 10,000 head of population working with the force has fallen annually over the last four years. Until last year this reduction had been offset by sustaining the average number of hours worked by these volunteers. To improve the situation, the force has recently reviewed this situation and has recruited a number of new special constables, bringing its complement in 2011-12 to 93. The anticipated rise in the number of hours worked by these volunteers has yet to be realised. However, the force has a new development programme and liaison officer post in place.
98. In 2010-11 the force had the lowest uptake for courses held by the Scottish Police College (excluding non-territorial forces). The force took up only 66.1 per cent of allocated places, a reduction of one third on the previous year 16.7 percentage points below the Scottish average for 2010-11. The impact has been most acute on courses covering Crime Management Division's community safety and detective courses, as well as the Leadership and Management Division's continuous professional development programme.
99. Sickness absence among police officers has risen from 3.5 per cent working time lost in 2010-11 to 3.9 per cent in 2011-12, this rise is mirrored for police staff, which has risen from 3.6 per cent to 3.9 per cent, however at the time of writing comparative data is not available to compare this performance with that of other Scottish forces, but it is expected to be in the order of 4.2 per cent.

Equalities

The board monitors the force's performance in relation to its Single Equality Scheme (SES) however it could provide more leadership in relation to its own activities. The board recognises that it could strengthen its approach to equalities.

The board

100. The board could do more to provide leadership for and to promote equalities. The board has a scrutiny role in monitoring the force's performance in meeting its SES and receives annual

reports. The board last received a report on the force equalities duties in May 2011 and noted the force's performance against its action plan.

101. The board has published its own SES for the period 2010-2012 and an accompanying action plan. The SES should be reviewed annually but there has been no reporting to the board since the establishment of the SES to advise on progress.
102. All members have undertaken equality and diversity training, some as part of the joint board training and others as part of training provided by their constituent councils . All reports to the board contain an equalities sub-heading however the quality of information provided is often limited. The board's self assessment identified that there was a potential benefit for a board member to be a portfolio champion for equalities. It considers that any member, in doing so, would be expected to undertake a participatory role with relevant force governance groups. The board's transitional work-plan identifies that formal remits should be developed to allow appropriate scrutiny and feedback to the board on these arrangements. This should strengthen the board's links with the force's equality and diversity groups and increase accountability in this area.

The force

The force is actively involved with its communities and can demonstrate a broad range of diversity initiatives and improvements in the management of equalities and action on hate crime. However, there is no executive level lead for diversity in the force. The Lay Advisor Group is an excellent cultural resource that could further support to the force. The force has made good progress in the recruitment, retention and development of female officers and staff.

103. Central Scotland Police applies the principles of the ACPOS Diversity Strategy and is extending its existing SES through to 2013 to ensure convergence with the reform programme. The SES and Action Plan are monitored by the force Diversity Forum and also by the board including defined Equality Scheme outcomes.
104. The force takes a broad approach to the recording and reporting of hate crime and has been one of the first police forces in Scotland to capture information on transphobia, homophobia and disability-related discrimination. The force has also led on the development of a new website which encourages the reporting of hate incidents. Moreover, through the Multi-Agency Hate Response Strategy(MAHRs) partnership across the Central Scotland area it has built strong links have over many years, particularly in relation to tackling racist incidents and harassment. It has developed a system that allows each agency to report, record and monitor racist incidents and to hold multi-agency case conferences designed to address repeat victimisation.
105. The force has strong community representation on its Lay Advisor Group. The Lay Advisor Group is very active and includes a mix of race, faith, gender and disability representatives. The force has held a number of diversity evenings where a range of community and minority group issues have been discussed. This group is an active cultural resource and there is further scope to develop how they support the force, for example, within Gold Groups and in reviewing hate crime processes and procedures.

-
106. The force has made good progress in the recruitment of female officers. In 2010 the force became accredited to deliver the international Springboard women's personal development programme. The programme has been made widely available to female officers and staff to ensure that the force continues to provide female workers with the necessary personal skills and confidence to progress their career and improve their own performance. The Springboard programme is being championed across the force by the deputy chief constable. In a recent promotion process to sergeant, whilst only 16 per cent of applicants were women, female officers constituted 50 per cent of those candidates who were successful in the final part of the process.
107. In the process of better aligning the role with the community policing function there have been a number of recent changes to the lead on diversity in the force which is now delegated from the DCC to chief superintendents. The chief superintendents are members of the Force Policy Group ensuring a continuing focus at executive level, however there is potential for the focus to be lost across the policing functions and the force is encouraged to examine the effectiveness of this arrangement.

Sustainability

The board has a good understanding of the wider economic and social aspects of sustainability and recognises that it needs to do further work to ensure this is embedded across all areas of the force.

The board

108. The board has a good understanding of the wider economic and social aspects of sustainability in particular how to sustain communities policing. This is particularly evidenced in the discussions on shared premises reports considered at the Physical Resources subcommittee. The board members also receive reports on the Force's Carbon Management Plan and the debate at meetings show that the board understands its green agenda.
109. The board's self assessment recognised however that it needs to strengthen its approach to understanding social sustainability. It has identified that it should develop its strategic approach to sustainability in partnership with the force and embed across all areas of business as part of its transitional work plan.

The force

The force has made good progress in developing its approach to green issues, but this can be improved further. The force has worked hard to ensure that 'business as usual' will continue during a period of transition, in particular that community safety and public protection will be sustained at a local level.

110. The force's commitment to sustaining community safety is reflected in its vision, strategies and plans. Senior managers understand the need to manage police reform and business as usual, by continuing to deliver and improve on services to communities
111. The force is planning to take a partnership approach to delivering sustainability at the Community Planning level. To assist this development it intends to review all structures for

participation in all threads of sustainability. It is anticipated that once that exercise is complete the force will be able to demonstrate various initiatives to reduce energy use, but these have not been fully explored at this time.

112. The force is improving sustainability through sharing services and rationalising assets with partners. The force strategic approach to energy management is yet to be published but a number of carbon management plans are already in place. The force has achieved a 23 per cent reduction in emissions from 2008 totals. Other areas that may have an indirect impact on sustainability will include their on-demand system of procurement (rather than stores) and the sharing of services and assets across local authorities and with partners.
113. The force's performance management framework could be improved by incorporating a range of indicators that allow it to demonstrate its impact on sustainability.

Part 3. Central Scotland Police performance assessment

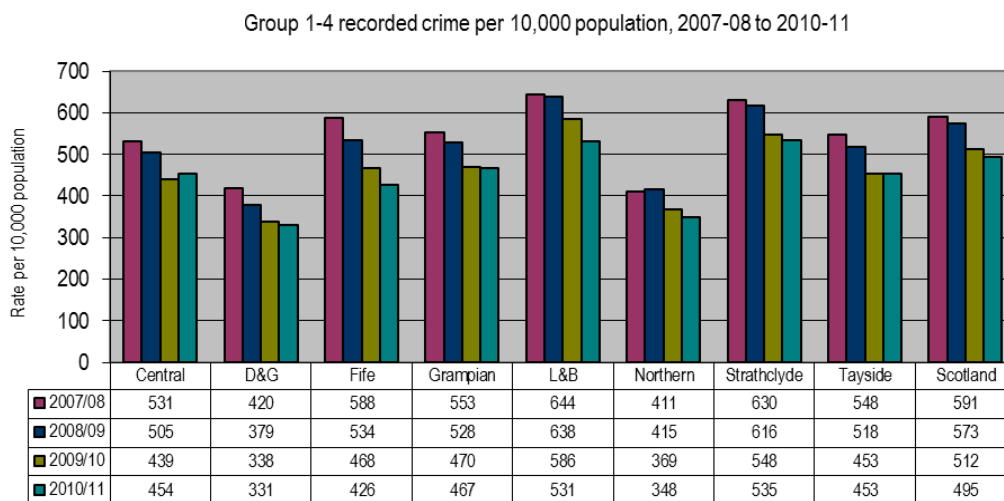
Force performance indicates some good achievements including year-on-year reduction in crime, high detection rates, a reduction in road traffic collisions and an improved use of alternatives to prosecution. Eight out of the nine user satisfaction and quality of service indicators have improved, however complaints against police have increased.

Public reassurance and community safety

Recorded and detected crime

Exhibit 7:

Recorded crime



Source: HMICS

114. The recorded crime rate per 10,000 of population between 2007/08 and 2010/11 has fallen 14.5 per cent (Exhibit 7). Over the same period of time the detection rates for crimes in groups 1-4 have also increased slightly (Exhibit 8)

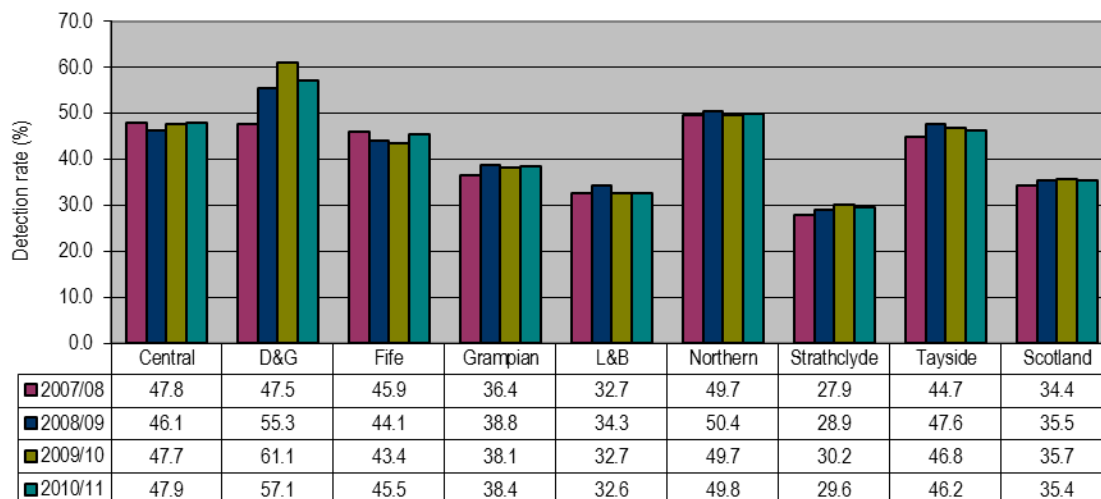
115. During 2011/12 the recorded crime rate in groups 1 - 4 decreased by a further 2.6 per cent however, the detection rate decreased from 48 per cent to 45 per cent.

116. During 2011/12 violent crime fell across the force with decreases in the number of attempted murder charges, serious assaults and robberies. There was also a slight reduction in the number of offensive weapon charges.

Exhibit 8

Detection rates

Group 1-4 detection rates, 2007-08 to 2010-11



Source: HMICS

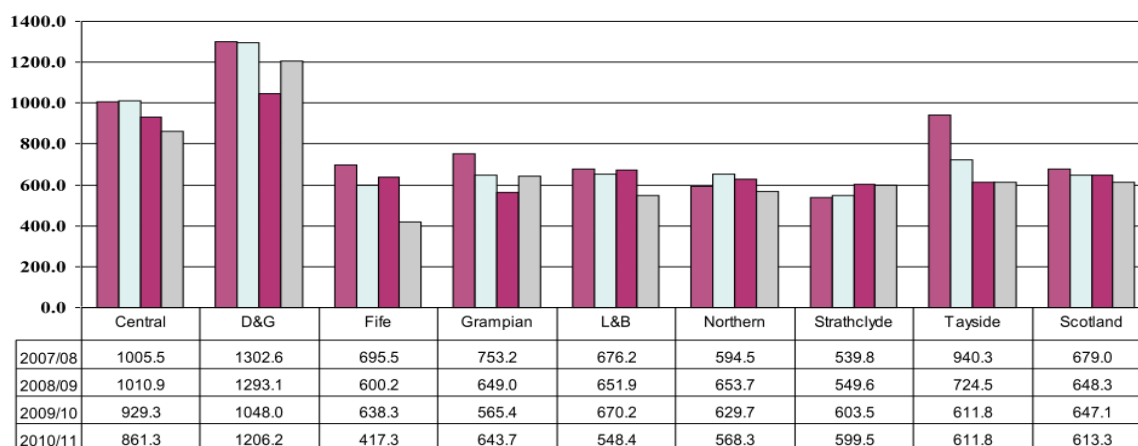
117. Central Scotland Police is the only force with detection rates for group 1 crimes of violence consistently above 95 per cent over the previous four years (the Scottish average in 2010-11 was 71.6 per cent), although in 2011-12 it experienced a slight drop to 92 per cent.
118. Recent increases in group 2 sexual crimes have been experienced by most other Scottish forces. The force has reviewed this aspect of its crime recording and will form the basis of any remedial action required. For the most part, however, the force tends to sit at or below the Scottish average for crime rates per 10,000 population recorded and at or above average rates of detection.
119. Group 7 motor vehicle offences per 10,000 population numbers reflect positive and proactive efforts (Exhibit 9). The force consistently exhibits one of the highest rates of group 7 crimes. That said, rates for some of its key managed indicators for driver behaviour, including speeding offences, collisions and offences involving drink/drugs, and seat belt and mobile phone offences are showing short- and longer-term declines.

Exhibit 9

Road traffic offences

Group 7 offences per 10,000 population

data from Scottish Government's SPPF report 2010-11



Source: HMICS

120. The last three years have also seen sizeable reductions in the rate of road traffic collision casualties per million vehicle kilometres. Road collisions and casualties, and within that young drivers and motorcyclists, is a particular priority for the force and a number of prevention activities have been directed at speeding young people and children. All four key indicators used by the force to assess performance in this area are showing short- and longer-term reductions in both collisions and casualties.

Crime subgroups

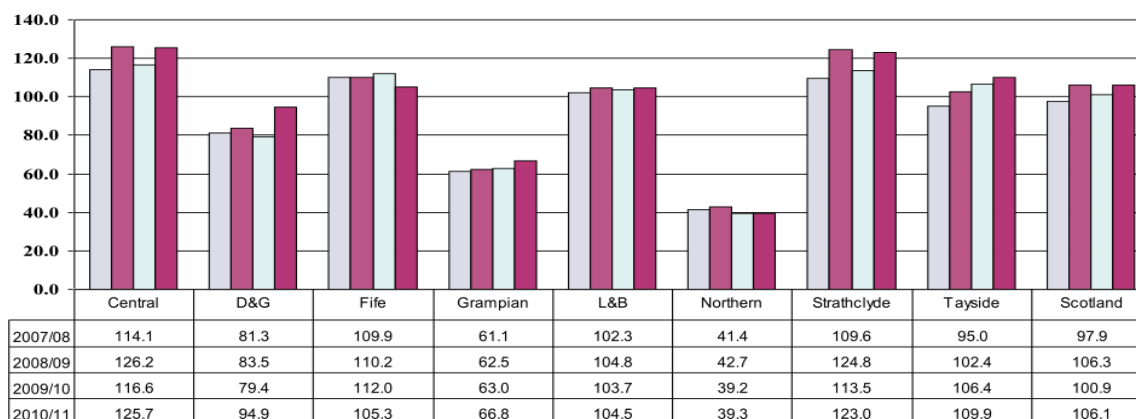
121. Over the previous four years the force has recorded the highest number of domestic abuse incidents per 10,000 population in Scotland, 125.7 compared to a Scottish average of 106.1 in 2010-11 (Exhibit 10). Furthermore, the figures for 2011-12 show a further increase of 0.75 per cent. The force has a robust approach and takes positive action in the recording and responding to domestic violence issues. The force has further improved the management of all domestic abuse bail offenders by prioritising risk and robustly managing bail conditions imposed by the courts. A domestic abuse toolkit is available for all officers to access.

Exhibit 10

Domestic abuse

Domestic abuse incidents per 10,000 population

data from Scottish Government's SPPF report 2010-11



Source: HMICS

122. The force also regularly records one of the highest proportions of group 1 to 6 crimes committed by youths, defined here as young people between the ages of eight and 17, though in 2010-11 the rate declined. This may be a consequence of a national focus on early intervention programmes and the force's large increase in the number of restorative justice warnings issued and conferences held. Approximately one quarter of the force's detected group 4 crimes of vandalism and fire-raising are committed by youths, 23.1 per cent in 2010-11. This is the highest proportion of any crime group for the force. Moreover, in 2010-11 the force was second only to Strathclyde in the rate of group 4 crimes recorded per 10,000 population in total. The same is true, perhaps unsurprisingly, of its antisocial behaviour crimes and offences of environmental damage. This is despite the fact that they have been declining over the last five years.

Criminal justice and tackling crime

Submission of crime reports

123. A national target of 80 per cent has been in place for a number of years now for the proportion of crime reports submitted to the procurator fiscal and the Children's Reporter within 28 and 14 calendar days respectively. Over the last five years the force has remained above target in both cases. For reports to the Procurator Fiscal, it has submitted around 87 per cent within the target period. Despite a slight drop in those submitted to the Children's Reporter, at 83 per cent it too remains comfortably within target. One reason for the decline relates to delays in the final decision-making process introduced by the Early and Effective Intervention (EEI) scheme.

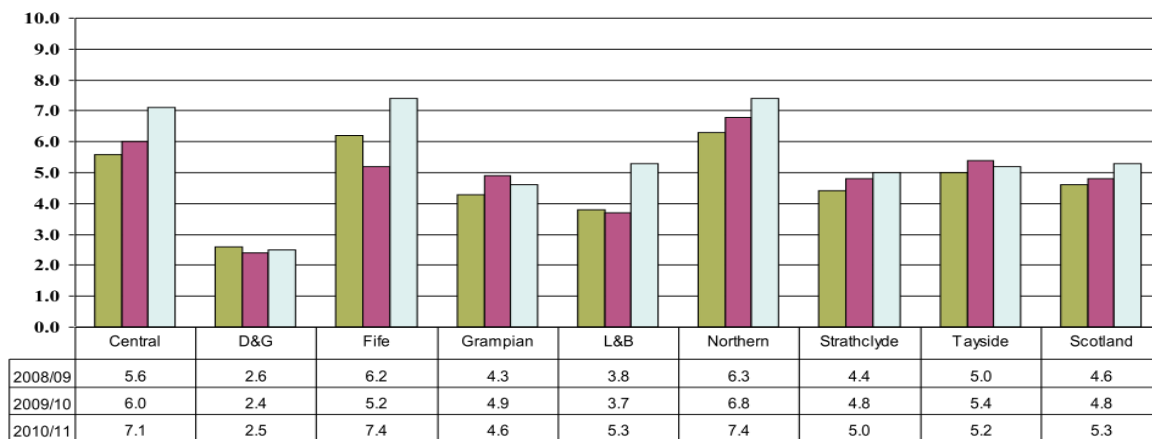
124. However, the force also exhibits one of the highest percentages of reports marked 'no proceedings' (Exhibit 11) at 13.9 per cent compared to 12.6 per cent for Scotland in 2010/11, and rising to 16 per cent in 2011-12. The force has one of the highest and rising percentages of 'no proceedings' cases so called because of insufficient evidence, 7.1 per cent compared 5.3 per cent for Scotland in 2010-11. The force is recommended to review current arrangements and to take steps to improve performance in this area.

Exhibit 11

'no proceedings'

Percentage of 'no proceedings' cases - insufficient evidence

data from Scottish Government's SPPF report 2010-11



Source: HMICS

Alternatives to prosecution

125. Forces can also deal with offences through direct measures, such as antisocial behaviour fixed penalty tickets, formal warnings and restorative justice warnings and conferences. Despite some annual declines the force tends to issue a higher than average rate per 10,000 population of formal and restorative justice warnings/conferences. The force managed a large increase in the number of restorative justice warnings and conferences in particular in the first half of 2011-12.

Service response

User satisfaction

126. In comparison with other forces Central Scotland Police recorded a decline in satisfaction ratings during the period 2008/09 to 2010/11 across the range of interactions surveyed, including initial contact and treatment and how the matter was dealt with overall (Exhibit 12). This was a matter of concern for the force as 'trust, confidence and satisfaction' are central to

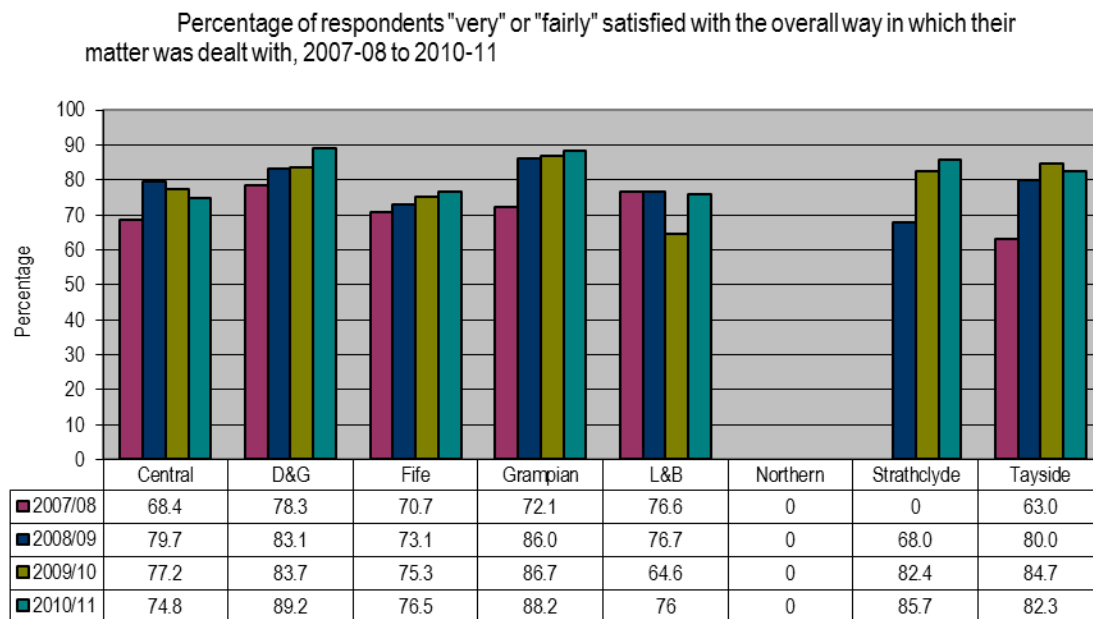
its policing vision for the area. As a result, the force prioritised action to raise public trust, confidence and satisfaction and has brought about a dramatic rise of nearly 18 percentage points in the proportion of Central Scotland Police users saying that they were kept adequately informed about their case (60 per cent) in 2011-12. Eight out of the nine user satisfaction and quality of service indicators have improved however complaints against officers have increased.

Complaints

127. Over the last four fiscal years to 2010-11 the force regularly enjoyed one of the lowest rates of complaint cases received per 10,000 population. However, in 2011-12 the force has seen a marked increase in the number recorded by the force, from 211 to 285 with a relatively high number of complaints from persons violently resisting arrest.
128. The force saw a drop in the number of quality of service allegations in 2010-11 but this has not been sustained in 2011-12 with a 40 per cent increase recorded against the three year average. The force rigorously analyses both quality service issues and complaints against police, but there are no discernable trends identified. The force takes positive steps to address conduct issues to show one of the highest percentage of complaint allegations disposed of through some action being taken, by giving advice, misconduct procedures, criminal proceedings or convictions and alternatives to prosecution, 28.1 per cent compared to a Scottish average of 17.3 per cent in the first half of 2011-12.

Exhibit 12

Satisfaction



Source: HMICS

Call handling

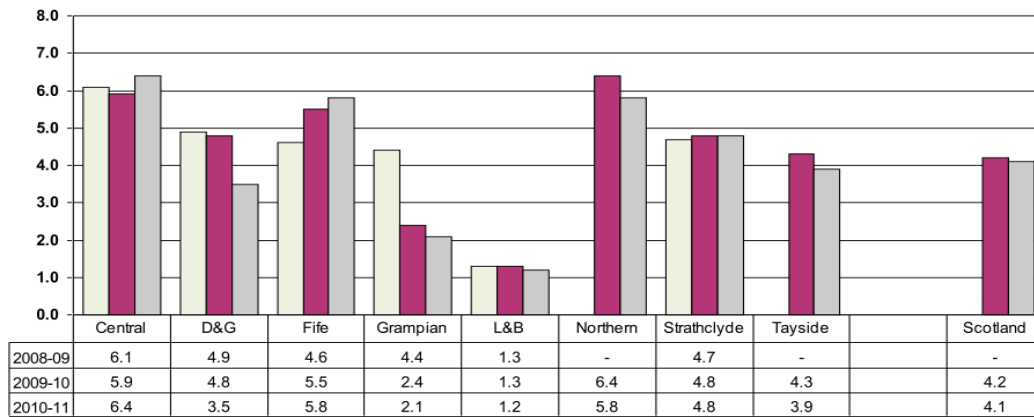
129. The force's performance on call handling tends to mirror the Scottish average. Figures for 2011-12 show that performance in this area is being sustained. Nevertheless, the percentage of non-emergency calls abandoned by callers to Central Scotland Police is typically among the highest in Scotland and remains at around six per cent for 2011-12. The force is currently reviewing its performance to identify areas for improvement.

Exhibit 13

Abandoned calls

Percentage of non-emergency calls abandoned

Scottish Government's SPPF 2010-11 data



Source: HMICS

Part 4. Improvement recommendations

130. Scottish police services are going through a period of major change with the Government's announcements of their plan to create a single Scottish police force. We recognise that this is now a prominent issue for all forces and have taken this into account in setting out the improvement agenda. Police boards and forces must continue to observe their duties under the Best Value legislation to ensure that police services remain effective, make the best use of resources allocated to them and are accountable to local communities.
131. The improvement areas set out below focus on areas that are important to the operation of the police board in the transition to a single force.

Joint Improvements

132. The board needs to continue to work with the force to ensure it delivers an effective policing service during the transition to a single force.

Central Scotland Joint Police Board

133. The board should prioritise the improvement activity identified in its transitional work plan and implement this work timeously to ensure the board and its members obtain the full benefit of the planned work during what will be a very busy period in the run up to the introduction of a single force.
134. The board should consider its own arrangements and ensure that it has sufficient capacity to effectively support it through the ongoing conduct investigation and changes in arrangements through the transitional period until the establishment of a single force.
135. Scrutiny and challenge should be consistent across all areas and board members should ensure this happens particularly in relation to equalities, workforce planning arrangements and specialist policing priorities such as serious organised crime and multi agency public protection.
136. The board should put in place more active and visible arrangements for board members to further the interests of the board in partnership activities. It should also assure itself that the links to constituent councils are operating effectively.

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137. The force should facilitate the board in having access to the Force Improvement Plan, particularly those areas that involve decisions made by the board.
138. The force internal inspection programme should be resourced and fully reinstated as soon as possible.

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139. The force should review and evaluate effectiveness in partnership working, in particular the strategic tasking and coordination arrangements at Falkirk and the MASH at Larbert and share good practice across the police area and nationally.
 140. The force should review its operation of PACT with a view to improving the quality and consistency of analysis, intelligence and sharing of good practice to improve community policing across the force area.
 141. The force should review its arrangements for an executive level lead for equality issues to ensure they are fit for purpose.
 142. The force needs to identify the issues and implement improvements in the quality of reports to the Procurator Fiscal, particularly in relation to improving the sufficiency of evidence.

Appendix 1. Expectations of police authorities

Expectations of police authorities

The Scottish government has issued two main sources of guidance on the role of elected members and police authorities:

Circular 11/2003, Implementing Best Value in the Scottish Police Service, issued in December 2003.

Guidance to Members, issued in June 2007.

Taken together, these two documents set out six main areas of activity for police authorities and their members:

Police authorities need to pursue best value in tandem with chief constables who are responsible for police operations in their force. Members of the police authorities should take joint responsibility for the overarching plan to achieve best value and other duties in the force, and work with the chief constable to ensure that it is carried out effectively.

Best value requires elected members and senior managers to develop a vision of how best value will contribute to the corporate goals of the authorities, inform the direction of services and be communicated to staff.

Police authorities are expected to demonstrate responsiveness to the needs of the public and other stakeholders. Plans, priorities and actions should be informed by an understanding of those needs. Police authorities may make clear publicly how they engage and work with chief constables, delivering and reporting on, best value. They have a particular role to play in ensuring effective public consultation on aspects of policing.

It is a matter for each authority to determine how it fulfils these roles. However, one option might be for the police authorities to contribute to and endorse the chief constable's annual plan.

Members of the police authorities should be able to demonstrate that they are making the best use of public resources and demonstrate an approach to review that is rigorous, robust and covers all aspects of their work.

Police authorities need to make sure that the force collects and reports good quality performance data to them. Police authorities should analyse the data and any accompanying commentary. They may then want to investigate further by asking questions of the chief constable as part of a continuous discussion and review of force performance.