

## **Joint Report of the Chief Executive and the Chief Constable**

**To: Chair and Members of the Policy and Resources Panel, 27<sup>th</sup> January 2010**

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Status : For Noting.

# **Preparations for Use of Resources Assessment 2009-2010**

## **1. Purpose of the report**

- 1.1 This report is to provide information relating to the Use of Resources Assessment process 2009-2010.

## **2. Recommendations**

- 2.1 Members note that the Use of Resources assessment process for 2009-2010 is underway, focusing on the following evidence requirements:--

2.1.1 The Use of Resources gap analysis from the Audit Commission - outlined in Appendix A - which forms the basis on which the assessment will be made for 2009-2010.

2.1.2 The assessment of the effective use of natural resources outlined in Appendix B, which is the new resource management assessment for the year 2009-2010.

## **3. Reasons**

- 3.1 The final Use of Resources audit assessment for 2008-2009 was presented to the Police Authority Executive on 10<sup>th</sup> December 2009 by the District Auditor. The District Auditor explained that 2008-2009 was the first year of the new

Use of Resources approach, developed as part of the Audit Commission's new Comprehensive Area Assessment.

- 3.2 The 2008-9 assessment determined that the Authority was performing adequately in managing resource: performing well in managing finances and performing adequately in governing the business.
- 3.3 The 2008-2009 Use of Resources assessment was utilised in-depth key lines of enquiry for the categories and sub-categories of managing finances and governing the business. In addition one theme from managing resources – workforce planning – was assessed. This process involved the collection and collation of a very large amount of data within a timescale truncated by the introduction of the new assessment process.
- 3.4 For subsequent years the assessment process is streamlined whereby, instead of undergoing a comprehensive assessment, the Audit Commission will examine the data and findings from the previous assessment and produce a "gap analysis" for each Key Line of Enquiry for the Authority to concentrate on in its evidence submission. This gap analysis is presently being provided by the Audit Commission. Within the analysis supplied so far by the Audit Commission, there are gaps to address in varying degree in some 25% of the lines of enquiry, with 75% complete, requiring no further evidence.
- 3.5 In addition to the gap analysis, there is a further element of the managing resources theme to be assessed in 2009-2010, which is the use of natural resources. This requirement is summarised in Appendix A.
- 3.6 As in previous years, a joint Use of Resources/Annual Governance Statement Group has been established to take forward this work, to collect and collate evidence for submission to the Audit Commission for the 2009-2010 assessment. The initial evidence will be submitted in February 2010. The assessment process will reach a conclusion with the next Audit Commission report in November 2010.

## **4. Implications**

### **4.1 Finance**

There are no direct financial implications flowing from this report.

### **4.2 Diversity/Equal Opportunities**

There are no direct diversity / equal opportunities implications flowing from this report.

### **4.3 Sustainability**

The findings of audits and inspections can point to issues that have the potential to affect business continuity and therefore will be assessed with such a focus.

### **4.4 Risk**

Business risks must be assessed following the Audit Commission's findings from the annual assessment of Use of Resources and the subsequent gap analysis provided. Relevant information can then be included within the Police Authority Risk Register and Business Plan.

### **4.5 Human Rights Act**

There are no human rights implications.

## **5 Conclusions**

- 5.1 The gap analysis from the 2008-2009 Use of Resources assessment is being used as the basis for the 2009-2010 evidence gathering requirements. It is likely that the scope and timescales for the 2009-2010 assessment will lead to a more effective assessment of the Use of Resources than occurred in 2008-2009.

Joe McCarthy  
Chief Executive

Sean Price  
Chief Constable

## Appendix A: Use of Resources Gap Analysis 2009-2010

Key Line of Enquiry	Gap Analysis Examples
1.1 Does the Authority plan its finances effectively to deliver its strategic priorities and secure sound financial health?	More evidence is required to demonstrate how financial (budget) planning contributes to improved outcomes in relation to service improvements, targeting business priorities and efficiency savings.
	Evidence required of the financial planning process consultation with external stakeholders to deliver organisational and shared objectives.
	Evidence required of a link between public consultation and the financial planning process – consulting over spending decisions.
1.2 Does the Authority achieve efficiencies and have a sound understanding of costs and performance?	<a href="#">Awaiting Audit Commission Gap Analysis.</a>
1.3 Is the Authority's financial reporting timely, reliable and does it meet the needs of internal users, stakeholders and local people?	More evidence required of reporting of environmental and social information with an analysis of the Authority's environmental footprint.
	Further evidence of how the Authority addresses diversity issues in its reporting, for example spending and service impacts across the communities.
2.1 Value for money in commissioning and procurement.	<a href="#">Awaiting Audit Commission Gap Analysis.</a>
2.2 Reliable data to support decision making and performance.	<a href="#">Awaiting Audit Commission Gap Analysis.</a>
2.3 The Authority promotes and demonstrates the principles of good governance.	Further evidence of development/training opportunities for Members and non-uniformed staff.
	Evidence for 2009-2010 that the Authority regularly reviews the effectiveness of its partnership working and can demonstrate value for money.
2.4 The organisation manages its risks and maintains a sound system of internal controls.	An updated copy of the Authority Risk Management Strategy is required.
	Evidence required that the Authority's partnerships have put in place risk management arrangements, which are reviewed.
	Evidence required that risk management supports the Authority in taking and managing significant risks to deliver innovative and challenging projects.
	Evidence that the Audit and Internal Control Panel provides effective challenge across the organisation and that it provides risk management assurance for the Force Risk Register.
3.3 Workforce planning and development to support strategic priorities.	<a href="#">Awaiting Audit Commission Gap Analysis.</a>

## Appendix B: Managing Resources – Use of Natural Resources – Assessment 2009-2010

### 3.1 Making Effective Use of Natural Resources.

**We are looking for** an understanding of natural resource usage and the management of resources and performance to reduce the impact on the environment, including when working with partners. The aim is to achieve sustainable development, with reducing consumption of energy, water and other materials and supplies, including a reduction in CO2 emissions. Waste reduction will be actively managed to save resources and costs.

**The basics** include the development of policies to reduce the use of natural resources and the environmental impact of activities. There should be a baseline position and an understanding of how to effectively manage resources. The organisation and its service units should be working with staff and partners to help develop the sustainability strategy. There should be plans in place to deliver reductions in the use of natural resources and CO2 emissions.

**Good performance** is indicated by a sustainability strategy that shows how the organisation will reduce its use of natural resources and its impact on the environment systematically over time. The organisation knows which of its operations use most resources and produce most carbon emissions, and these are targeted as priorities for action. The organisation is communicating performance against its strategy to the public, stakeholders and staff, and engaging effectively with them. Sustainability impact appraisals are undertaken for all major projects and programmes. This is built into the commissioning and procurement processes. There is consideration of initiatives such as shared premises and vehicles.

**Sources of evidence include:**

- Sustainable development policy and objectives
- Environmental policy and objectives
- Sustainability impact appraisals
- Relevant performance indicators
- Procurement and commissioning reports covering sustainability issues