

# Response to consultation on the future of policing in Scotland

By the Accounts Commission, Auditor General for Scotland and Audit Scotland

May 2011

## About us

Audit Scotland is a statutory body that carries out audits and investigations for the Auditor General for Scotland and the Accounts Commission.

The **Auditor General for Scotland** is the Parliament's watchdog for ensuring propriety and value for money in the spending of public funds. He is responsible for investigating whether public spending bodies achieve the best possible value for money and adhere to the highest standards of financial management. He is independent and not subject to the control of any member of the Scottish Government or the Parliament.

The Auditor General is responsible for securing the audit of the Scottish Government and most other public sector bodies except local authorities and fire and police boards.

The following bodies fall within the remit of the Auditor General:

- directorates of the Scottish Government
- government agencies, e.g. the Scottish Prison Service, Historic Scotland
- NHS bodies
- further education colleges
- Scottish Water
- NDPBs and others, e.g. Scottish Enterprise.

The **Accounts Commission** is the public's independent watchdog which, through the audit process, requires local government bodies in Scotland to achieve the highest standards of financial stewardship and the economic, efficient and effective use of their resources. The Commission holds local authorities to account and helps them to improve by:

- securing the external audit, including the audit of Best Value and Community Planning
- following up issues of concern identified through the audit, to ensure satisfactory resolutions
- carrying out or promoting national performance audits to improve economy, efficiency and effectiveness in local government
- issuing an annual direction to local authorities which sets out the range of performance information they are required to publish.

The Commission secures the audit of 32 councils and 45 joint boards and committees (including police and fire and rescue boards).

The Commission was established in 1975, operates independently of local authorities and of the Scottish Government, and meets and reports in public. It has a maximum of 12 members who are appointed by Scottish ministers following a public appointments process.

**Audit Scotland** helps the Auditor General and the Accounts Commission to ensure public money in Scotland is used properly, efficiently and effectively. We do this by carrying out financial, Best Value and performance audits of various aspects of how public bodies work. We audit public bodies, with a total spend of more than £36 billion a year, and audit the majority of devolved public services in Scotland.

Together we aim to provide assurance to the people of Scotland that their money is spent appropriately and we help public sector organisations in Scotland to improve and perform better.

## About this response

We welcome the invitation to contribute to the consultation on the future of policing in Scotland. We have prepared a joint submission on behalf of the Auditor General for Scotland, the Accounts Commission and Audit Scotland.

Collectively, we have an informed overview of the public sector in Scotland through our audit work. We have used this experience of the public sector and audit evidence gathered from our work to prepare this submission. Our audit work means that we are well positioned to comment on the characteristics which all public sector organisations should display, irrespective of the structures within which they operate. These characteristics include:

- a strategic direction which is informed by a good understanding of the operating environment and customer demands and needs, informed by effective community engagement arrangements
- a medium to long term strategic approach to planning and deploying resources towards agreed priorities
- clear and effective arrangements for governance and accountability to support strong scrutiny and provide public assurance
- good quality information on outcomes and performance and the use of resources to assess the impact of the use of public money and support effective decision making.

The Accounts Commission is responsible for the audit of police authorities, and we are currently half way through the programme of Best Value Audits of police services, delivered in partnership with Her Majesty's Inspector of Constabulary. The Auditor General has responsibility for the audit of non-local authority aspects of policing, such as the Scottish Police Services Authority. This response draws on a wide range of our audit work and other sources, and in particular the following reports:

- The Scottish Police Services Authority – October 2010
- Best Value Audit and Inspection reports of Police Boards and Forces carried out jointly with HMICS:

- Tayside – December 2009
- Northern Constabulary – April 2010
- Grampian – February 2011
- Scotland's public finances: preparing for the future – November 2009
- The role of boards – September 2010

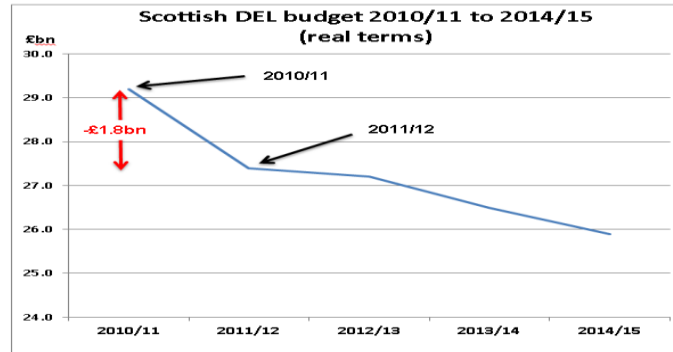
## Introduction

1. The legislative framework within which the Police Service in Scotland operates remains largely based on the Police (Scotland) Act 1967. Since then, there have been many changes in Scottish society (including the creation of the Scottish Parliament), along with developments in the justice system, increasing expectations of communities and significant changes in public service delivery. It is therefore appropriate to review policing in Scotland to ensure that it is designed to meet the needs of Scotland in the 21<sup>st</sup> century.
2. The debate comes at a time when the outlook for public sector finances is challenging<sup>1</sup>. Delivering outcomes with less money while facing a number of cost pressures will not be easy. Public services, including the police, are experiencing significant cost pressures, as we have highlighted in a range of our reports in recent years.
3. The Scottish delegated budget is expected to decline significantly in real terms in future years (Exhibit 1). Rising inflation may also affect the spending power of the available budgets. Taken together with increasing demand, rising expectations and shifting demographics, the ability of public services to maintain and improve outcomes for communities will be severely tested.

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### Exhibit 1

#### Scottish delegated budget 2010/11 – 2014/15



Source: Audit Scotland

4. The police service in Scotland plays many roles and delivers a diverse range of services. Operational policing and solving crime, including disrupting serious and organised crime, remain the core part of the policing role. But the police also play a key role in promoting community safety, dealing with anti-social behaviour and protecting vulnerable groups, crime prevention, preparing for and responding to major incidents and events, and counter terrorism. Working in partnership with others from across the public and private sector is an increasingly important element of all aspects of policing activity.

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<sup>1</sup> Scotland's public finances: preparing for the future – November 2009

5. It is therefore vital that the reform process builds on a clear, shared understanding of what the police service is for, what it does and what outcomes it is expected to deliver, including the role of partners. Establishing clarity of purpose, with clear performance expectations at local and national level, and supported by strong governance and accountability arrangements, will continue to be central to the successful delivery of policing in future, whichever structural option is adopted.

## Best Value in the police service

6. *The Local Government in Scotland Act 2003* introduced new 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.
7. In 2009 Audit Scotland, on behalf of the Accounts Commission, worked with colleagues in HMICS, to develop the audit of Best Value and Community Planning for police authorities and police forces. The audit covers a wide range of issues, and, building on the relevant legislation and guidance, indicates 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.
8. Similarly, a successful police force will:
  - work with the police authority/police authorities and partners 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.
9. Effective working between police authorities and forces is therefore central to delivering an effective and efficient police service for communities. Police forces in Scotland have long been closely linked to democratically accountable local authorities, with Chief Constables having responsibility for the delivery of policing operations and for the deployment of police officers. Scottish Ministers have overall responsibility for policing policy at the national level. Our audit work in police services in recent years suggests that there remains a lack of clarity about the respective roles and responsibilities of the parties in this tripartite structure.

10. Following the joint Best Value audit and inspection of Tayside Police and Tayside Joint Police Board with HMICS in 2009, the Accounts Commission recommended that the Scottish Government, in consultation with COSLA (Convention of Scottish Local Authorities) and ACPOS (Association of Chief Police Officers in Scotland), should consider the existing guidance and its interpretation to ensure that the specific responsibilities of boards and board members are expressed as clearly as possible. Addressing any uncertainties around roles and responsibilities should therefore be an important part of the reform agenda and clarification of the guidance would assist police authorities in achieving their statutory responsibilities for best value and community planning.

## Improving services and the delivery of outcomes

### **A focus on achieving the best outcomes for communities and making the most efficient use of resources are essential for effective policing services.**

11. The Scottish Government's National Performance Framework (NPF) sets out its purpose and strategic objectives, underpinned by national outcomes, indicators and targets. The police contribute to many of these outcomes, and in particular have a significant role to play in the achievement of the objectives, 'we live our lives safe from crime, disorder and danger' (National Outcome 9); 'we have strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others' (National Outcome 11); and, 'our public services are high quality, continually improving, efficient and responsive to local people's needs' (National Outcome 15)'. The future of the service must therefore be designed to support the delivery of these objectives, alongside effective performance of its core purpose, and to ensure that the police continue to enjoy the consent and support of the public.
12. Our audit work across the public sector in Scotland indicates that there needs to be a greater emphasis on outcomes and the effect that targeted early interventions can have in influencing future demand and outcomes. We have found that spending decisions are not always based on evidence of 'what works' or on a full assessment of need. There is a lack of understanding about productivity in the public sector, making decision making and performance assessment difficult.
13. Any new policing arrangements must maintain a clear strategic focus on the medium and long term, as the actions we take now will affect the legacy that we leave for future generations. It is therefore important that the police service, whatever its shape in future, has clear strategic objectives to ensure that it and the public know 'what success looks like' and whether it has been achieved. The future shape of the police service should be considered in the context of wider public service reform, given the complex and cross cutting issues that public agencies, including the police, are dealing with.
14. The joint Best Value Audit and Inspections we have carried out with HMICS have highlighted the importance of outcome focussed policing plans that acknowledge the need to balance national

priorities with local community policing. The reports have also identified that measures to identify achievements and impact are not always fully developed.

## The importance of effective governance and accountability

**Policing services need clear and effective arrangements for governance and accountability to support strong scrutiny and provide public assurance. Governance arrangements must ensure proper democratic accountability alongside the responsibility of Chief Constables to deliver police operations effectively.**

15. Clear accountability and strong scrutiny arrangements are critical to holding public bodies to account and encouraging continuous improvement. The boards of public bodies are central to the system of public accountability and to ensuring that they deliver the desired outcomes. Strong and effective governance and accountability is of particular importance for policing services, given their powers and responsibilities for public order.
16. Where arrangements are complex there is a risk that the lines of accountability are not clear either to those with specific responsibilities or to the public. For example, our audit work has found variations in the levels of understanding that elected members had in relation to their responsibilities as members of a joint police board and that the links between joint police boards and the constituent councils can be ambiguous. We have also found that there can be a potential conflict between a chief constable or police convenor's statutory responsibility for local policing and their role on the board of a national body, making decisions in the interests of Scotland as a whole<sup>2</sup>.
17. Future governance arrangements for Scottish policing need to be sufficiently clear and robust to deal with this complicated landscape. It is vital that public confidence and support is maintained, whatever the governance arrangements for Scottish policing. The arrangements should ensure proper democratic accountability alongside the operational independence of Chief Constables. They will also need to provide clear local accountability, as well as clear lines of accountability to Scottish Ministers and the Scottish Parliament. This will require a shared understanding of structures and responsibilities, good working relationships and effective supporting arrangements.
18. Our audit work tells us that effective governance depends in part on police authority members having a clear understanding of their role and accessing training opportunities to ensure they have the skills and knowledge to support and challenge senior officers effectively.
19. Clear reporting of performance to the public is integral to good governance and accountability. Public bodies are making progress in meeting their public performance reporting (PPR) obligations, but the

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<sup>2</sup> The Scottish Police Services Authority – October 2010



approach to, and coverage of, PPR remains variable and there is scope for further improvement<sup>3</sup>. This is also the case for police services where our joint BV work with HMICS has found that performance reporting needs to improve so that police boards and the public are in a better position to scrutinise performance and hold forces to account.

20. A strong scrutiny function is an essential part of good governance. Police Board members need to be supported in their role and have the capacity and confidence to challenge senior officers on performance and the use of resources.

## Improving planning and delivery

**Policing services need to have a clear strategic direction, supported by a medium to long-term approach to planning and deploying resources, and informed by a good understanding of the communities they serve.**

21. Many public sector organisations are large and complex and they often have to balance competing priorities. It is therefore important that organisations clearly set out strategic priorities in a way that is easily understood by the public they serve, their workforce and their partners.
22. Our audit work tells us that effective police services have strategic priorities which are:
  - clear and communicated effectively both within the organisation and to the public;
  - sustainable, focus on the medium to long term and on outcomes;
  - informed by a good understanding of context and customer need.
23. Our audit work tells us that where police boards and police forces engage effectively with the community, the views of local people are captured in a structured manner and used to inform the force's strategic planning process. Any reorganisation of policing in Scotland should strengthen community engagement, to ensure that police services continue to reflect and meet the needs of the communities they serve.
24. The joint BV work we have carried out with HMICS has highlighted examples where clear strategic plans have been developed based on a good understanding of local need. We have also identified examples of well defined planning arrangements, with a mix of national and local priorities, which are visible in operational plans. However, we have also highlighted examples where strategic priorities are not linked to divisional and operational plans and where planning processes are not well integrated.

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<sup>3</sup> Local Government Act 1992: the Publication of Information (Standards of Performance) Direction - 2008

25. There is a continuing need for police authorities to work with police forces in taking a more strategic approach to managing resources. We found examples where the management of people, money and buildings was not joined up effectively. In another example, we found evidence of a sound approach to the strategic management of staff, but where operationally there was little evidence of the divisional tasking process being used to meet local policing needs.

**Policing services must have good information on costs, quality and performance to assess the impact of the use of public money and support effective decision making**

26. Performance management arrangements need to reflect the strategic priorities of the organisation at the top level, for example by focusing on outcomes as well as providing information to manage services at the operational level. The Scottish Policing Performance Framework helps to support accountability and public scrutiny by providing information that allows comparisons to be made over time and between forces.
27. Our audit work has found that performance management arrangements vary between forces and that the quality of performance reporting to joint police boards is mixed.
28. Performance management arrangements need to cover both service performance - for example in terms of service quality and response times - and the cost of service delivery. Both parts of this equation are needed before an organisation can demonstrate that it is delivering value for money. This information is also vital for police authorities to make informed decisions, control costs, improve efficiency and monitor performance.
29. The joint BV audit work with HMICS has found forces have a limited focus on analysing the costs of activities and recognise the need to improve in this area to inform difficult decisions about where resources will need to be directed, in order to sustain performance in priority areas.

## Managing change and improvement

**It is important that any new policing arrangements are implemented in a way that manages the risks associated with major change. Improvement activity should be managed in an integrated way.**

30. If there is to be major re-organisation of the police service in Scotland, it is important that it is evidence-based, with clarity about the improvements that change is intended to deliver before decisions are made. It is vital that during the process of change, continuity of service is maintained and service performance is not compromised. A clear risk management strategy would be required, as well as an in-depth understanding of the costs and benefits of transition.
31. It is also important that good cost and performance information about current service delivery is available to support the introduction of any new arrangements. Having in place a clear performance management framework from the outset will help set expectations and assess whether change has

been successful. For example, we found that the early development of the Scottish Police Services Authority was affected by a lack of clarity on how it was to deliver its long-term benefits, and this was compounded by poor information about the services transferred<sup>4</sup>.

32. That same report came to a number of conclusions, which, though specific to that exercise, highlight important lessons to be aware of if the structure of Scottish policing is to change. We found that:
- SPSA's early development was affected by a lack of clarity on how it was to deliver its long-term benefits and by limited support from some key stakeholders.
  - A lack of robust information created difficulties in setting the initial budget and when transferring services from police forces.
  - SPSA's early performance was affected by leadership changes and poor customer engagement.
  - Many of the initial actions identified to establish SPSA were not followed through
  - There was a lack of agreement on some aspects of the new organisation and how it was to deliver the long-term benefits
  - SPSA's initial budget was based on incomplete information
  - The transfer of staff and assets was affected by poor information, a lack of co-operation and short timescales
  - SPSA's ability to operate effectively was affected by the difficulties it experienced when services were transferred
33. Our BV work in police has found that forces can demonstrate a commitment to improving services and are undertaking a great deal of improvement activity. However, the improvement activity is often not prioritised or managed within an overarching corporate improvement plan, reducing the potential impact of the work.

## Conclusion

34. Police services play a critical role in making our communities safer, protecting the most vulnerable in society and dealing with crime and disorder. It is important that any reform process, focused on improving outcomes and securing Best Value, builds on existing good practice and provides sufficient capacity for on-going developments and improvement across the country.
35. Whatever the future shape of police services in Scotland, it will be important that it is supported by a strong and independent external scrutiny regime, providing the public with assurance that services are performing well and that resources are being managed effectively.

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<sup>4</sup> Scottish Police Services Authority – October 2010

## Contact details

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