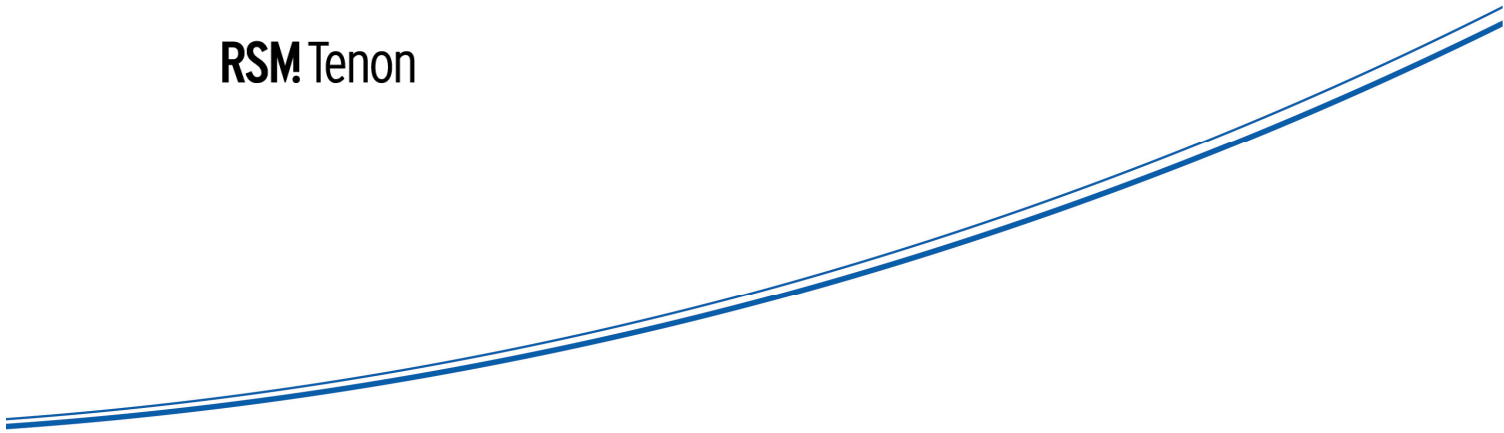


RSM Tenon



Leicestershire Police Authority

Workforce Planning

Internal Audit Report (17.09/10)

8 February 2010

FINAL

Contents

	Section	Page
1	Executive Summary	1
2	Action Plan	3
3	Findings and Recommendations	4

Debrief meeting:	27 October 2009	Auditors:	Chris Harris, Partner
Draft report issued:	17 November 2009		Rachel Bowden, Director
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This review has been performed using RSM Tenon's bespoke internal audit methodology, **i-RIS**.

The matters raised in this report are only those which came to our attention during our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, based on the information provided and documentation reviewed, no complete guarantee or warranty can be given with regard to the advice and information contained herein. Our work does not provide absolute assurance that material errors, loss or fraud do not exist.

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1 Executive summary

1.1 Introduction

Having the right workforce in place to deliver the policing priorities is a key objective for all police authorities and constabularies. However, in difficult financial times for policing across the country, pressures on workforce planning increase. Alongside the various approaches that have been taken to modernising the workforce, planning for the short and longer term needs is crucial to the success of any constabulary and Authority.

The current Director of HR for Leicestershire Constabulary has now been in post for one year. Since taking up the post much work has been undertaken in ensuring that establishment figures are controlled, and workforce planning data is reliable and kept up to date. The Constabulary is now in a position to analyze the data in more detail to identify issues and look more closely into the data outputs to inform future workforce and resourcing decisions.

From 2009/10, Bedfordshire, Derbyshire, Leicestershire, Northamptonshire and Nottinghamshire Police Authorities jointly procure internal audit services from RSM Bentley Jennison. As part of this arrangement, a thematic review of workforce planning has been completed with the following objectives:

- to review and evaluate the arrangements in place at each Force / Constabulary relating to workforce planning and how this is managed and reported upon; and
- to collate data and information to provide a comparative report to all five authorities. This will include gathering information on processes that work well, and on reporting arrangements as well as numeric and financial data.

This report is for the information and use of Leicestershire Police Authority and will not be shared with the other members of the police internal audit group. Subsequently a 'thematic' report will be prepared and shared with all of the participating authorities discussing arrangements, practices and including comparative data.

This report provides feedback and recommendations specific to Leicestershire Constabulary's arrangements for workforce planning; comparative data and information on good practices will be reported in a separate "thematic" report to all five authorities.

1.2 Concluding Comments

Leicestershire Constabulary now produces good quality data to closely monitor establishment levels and associated data is used to forecast these and to identify trends which feed into planning workforce needs for the future. The People Strategy 2009-13, the Detailed HR Plan and HR Business Plans for 2009/10 set out how workforce planning will be progressed and demonstrate that the Force is moving in the right direction with its intentions for further progressing workforce planning.

Although we have made a number of recommendations, these in the main are to formalise and capture in one place the actions already discussed to progress workforce planning at Leicestershire.

We will be publishing a separate 'thematic' report which will include good practice and innovation observed from all five authorities as well as comparative information and data. With regards to Leicestershire Police, we have identified the following area as good practice or innovation compared to similar practice at other forces:

Good Practice Identified

All forces within involved in our review prepare various reports, plans and data relating to workforce planning. We noted the data reported at Leicestershire Constabulary provides the reader with good quality information that can be easily understood due to the format and layout. Use of graphs helps the reader interpret the data.

1.3 Recommendations Summary

The following table highlights the number and categories of recommendations made. The Action Plan at Section 2 details the specific recommendations made as well as agreed management actions to implement them.

Recommendations made during this review:

	FUNDAMENTAL	SIGNIFICANT	MERITS ATTENTION
ORGANISATIONAL CONTEXT	0	0	1
PLANNING FOR WORKFORCE NEEDS	0	0	4
ROLES AND RESPONSIBILITIES	0	0	0
REPORTING	0	0	0
TOTAL	0	0	5

1.3 Scope and Approach

Limitations to the scope of the review:

The following areas are closely linked to workforce planning but were not covered within the review:

- training and development planning and delivery;
- the modernisation agenda and how each Force has responded to it;
- recruitment practices;
- Accuracy or appropriateness of overtime claims or how it is rostered and planned for on a day to day basis;
- Staff rosters.

The data gathered during this review will not be made available to any of our clients outside of this group of police authorities.

In order to understand the workforce planning arrangements in place we interviewed the following:

- Alison Naylor – HR Director
- DCC Chris Eyre
- Alison Coulton – Senior HR Officer
- Carolyn Steptoe - Resource Planner
- Ruth Gilbert – Head of Finance
- Rachel Franklin – HR Management Information Analyst
- Chris White – Mobile Data Administrator
- Charlotte Dyer – HR Officer
- Dianne Newton – Chair of the Authority's HR Committee

2 Action Plan

The priority of the recommendations made is as follows:

FUNDAMENTAL	SIGNIFICANT	MERITS ATTENTION
ACTION IS IMPERATIVE TO ENSURE THAT THE OBJECTIVE FOR THE AREA UNDER REVIEW IS MET	REQUIRES ACTION TO AVOID EXPOSURE TO SIGNIFICANT RISK IN ACHIEVING THE OBJECTIVE FOR THE AREA UNDER REVIEW.	ACTION IS ADVISED TO ENHANCE CONTROL OR IMPROVE OPERATIONAL EFFICIENCY

No	REF	RECOMMENDATION	CATEGORISATION	ACCEPTED Y/N	MANAGEMENT COMMENT	IMPLEMENTATION DATE	MANAGER RESPONSIBLE
1	3.1.1	The Force should develop a process to ensure that workforce planning arrangements / plans are clearly linked to both Estates Strategy and vehicle fleet planning.	Merits Attention	Y	Agreed	By end of 2010	Director of HR
2	3.2.1	That the Force progresses plans to develop medium and long term workforce plans to cover three to five years.	Merits Attention	Y	Agreed	By end of March 2010	Director of HR
3	3.2.1	That the Force progresses plans to identify and introduce workforce planning forecasts for key staff posts and to report on this as appropriate.	Merits Attention	Y	Agreed	By end of quarter 3 for 2010	Director of HR
4	3.2.3	The task to document and map the succession planning arrangements should be completed and then this used to develop succession planning arrangements within the Force.	Merits Attention	Y	Agreed	By end of quarter 3 for 2010	Director of HR
5	3.2.3	HR should ensure that the skills audit process is completed so that the Force has a complete picture of any skills gaps that may need to be addressed.	Merits Attention	Y	Agreed Will be progressed once work on attrition for 2010 is completed.	By end of quarter 3 for 2010	Director of HR

3 Findings

3.1 Organisational Context

3.1.1 Background to Workforce Planning at Leicestershire

Workforce planning arrangements at Leicestershire Constabulary have been in development in the past three years. The Director of HR advised that in the past the Force had problems in extracting baseline data for workforce planning and an exercise had to be undertaken to reconcile the establishment figures. The Constabulary is now confident the establishment figures are controlled and that as HR can identify trends they will be in a position to look more closely on the output data to become more pro-active in responding to the various issues and problems linked to workforce planning, this should provide increasingly better quality data to inform future decision-making.

Workforce planning is being progressed this year to produce three and five year projections to match to retirements and promotions towards, thus providing greater control and management of workforce planning. This will also include some key posts for staff within the Force and we were advised some of these issues are due to be discussed now at the Strategic Establishment Board.

Key documents in place with regard to workforce planning include the following:

- **People Strategy for 2009/13.** This is the overarching document setting out the focus on the medium and long term strategic aims and supports the HR Learning and Development Business Plans which set out the key targets.
- **Detailed HR Plan (includes Confidence Plan) for 2009/10** which sets out the objectives for the year and these are aligned to the Strategic Aims of the Force.
- **The HR Business Plan 2009/10** is in place and reports are submitted to the HR Committee quarterly to update on progress made throughout the year including targets set and elements relating to workforce planning.

The DCC informed the audit team that “remarkable improvements have been made over the last three years” which are attributed to the hard work of three key members of the Senior Team who have been responsible for establishing sound controls and arrangements which have contributed to ensuring the accuracy of data being produced, sickness management, movement scheduling and resource management.

Through our review of key documents we noted that the above plans do not include linkage to the Estates Strategy. This was discussed with the Director of HR who considered that there is linkage with both Estates to consider work space and will take this forward by setting out a process to ensure links are clearly made in future between workforce plans and impacts on and linkages to Estates and other related strategies.

Recommendation

- | | |
|---|---|
| 1 | The Force should develop a process to ensure that workforce planning arrangements / plans are clearly linked to both Estates Strategy and vehicle fleet planning.
(Merits Attention) |
|---|---|

The Force has been progressing the workforce modernisation agenda since 2007. We were advised that a total of 22 posts have been modernised in that time with two of these being completed so far this financial year; at the time of our review work was ongoing within Call Management.

In discussions with the Senior HR Officer we were advised that the Chief Officers have signed up to this agenda and the Strategic Financial Planning Group have raised associated issues on related matters towards potential for making financial savings in the future.

Note: this review has not considered the workforce modernisation agenda or the success of those changes.

3.1.2 Efficiency Savings

The Force has in place an Efficiency Plan which covers the period 2008/11, based upon the Home Office requirements for this period of 10.3% (£18m).

Through review of a report for the Finance and General Purposes Committee (F&GPC) on 8 September 2009 we noted that the Force achieved savings of 4.1% in 2008/09 and is expecting to achieve savings of at least 3.1% in both 2009/10 and 2010/11 to meet the three year target. This report stated the Strategic Planning Group are monitoring the situation closely over the coming months and will provide regular progress updates to the F&GPC.

The report to the F&GPC of 8 September 2009 outlines areas for potential savings relating to the workforce within the Community Safety Bureau and some reduction in Professional Standards department partly due to higher than expected vacancies.

3.1.3 Risk Profile

The Authority has a Risk Register in place and through review with the Chief Executive we noted that three risks which appear on their risk register indirectly link to workforce planning. These are set out below:

- Failure to deliver and monitor a robust financial plan.
- Failure to deliver a strategic agenda, including East Midlands Collaboration
 - a) by not aligning strategic plans between the Authority and Force
 - b) by not linking performance to its planning and resource allocation
 - c) by not working collaboratively with East Midlands police authorities.
- Failure to attract and retain quality candidates for Authority and Force.

The Force's key risks which relate to workforce planning are:

- Increasing abstractions and demand on specialist resources and other Staff
- 2012 Olympic Games
- National Flu Pandemic

A new risk has recently been identified as 'Impact on public confidence if promises are not delivered'. The Force also has a London 2012 Olympics Steering Group to review and prepare for the impact of the Olympics on Leicestershire.

Note: We will be providing information within our thematic report on the various risks that the five forces and authorities have identified that relate to workforce planning and hope that this will be useful in assisting the Authority progress this recommendation.

3.2 Planning for Workforce Needs

3.2.1 Planning and Data

The current HR Scorecard data reported to the HR APEX covers reporting on workforce plans for one year in line with the financial year. Data for the Performance Delivery Group also includes data for the last twelve consecutive months and serves to identify trends as well as providing the latest workforce numbers, allocations, in-take and transferee information. Note: the scorecard is reported on a monthly basis and HR APEX meetings take place on an approximately six weekly basis.

We understand the Force has recognised the need to improve the medium and long term planning and actions are included in the HR Business Plan 2009/10 to move forward to include forecasts for three to five years in future.

The Force have just recently prepared data on forecasts for officers, staff and PCSOs taking into account anticipated population growth for Leicestershire up to 2031. Data has also been produced regarding the establishment including losses and gains for the current year and forward to 2026. At the time of our audit we were advised that this information had not yet been formally reported to senior management and that it was planned to take this forward through to the new Strategic Establishment Board in future.

Recommendations

- | | |
|---|--|
| 2 | That the Force progresses plans to develop medium and long term workforce plans to cover three to five years.
(Merits Attention) |
| 3 | That the Force progresses plans to identify and introduce workforce planning forecasts for key staff posts and to report on this as appropriate.
(Merits Attention) |

We confirmed that the Establishment & Finance Group receives ongoing profiled and actual strength reports through the year and as part of the budget planning process for the 2010/11 financial year it will also receive reports on 2010/11 workforce plans to assist with the budget planning / setting process.

The Workforce Planning Scorecard is reported to HR APEX and this includes the profiled and actual strength forecasts for the current financial year for the profiled numbers and is broken down under police officers and PCSOs. Details of student officer numbers at specific dates is also provided and linked to projections.

Through review of the reports provided to the Performance Delivery Group for August 2009 we confirmed that reporting included trends for the last 12 months under the following headings:

- The individual BCUs and departments establishment versus actuals
- Force Strength breakdown (by department)
- Breakdown for various categories of officers versus actuals, taking account of abstractions
- Split on Officers acting across the Force
- Details of Sergeant allocation across the BCU's
- Officer secondments out of the Force
- Details Student Officer Intakes and availability for the forthcoming year
- Details of Transfers made / coming up.

3.2.2 Assumptions and external factors / environmental scanning

Assumptions

Through our review of the various reports produced we confirmed that the data produced for the profiled strength figures are produced taking account of the time taken to recruit, retirements and new recruits which are subject to Chief Officer Group approval.

Regular reports are being produced including details of all potential retirements including those officers approaching 30 years service. These figures are factored in to the workforce planning process as part of reviewing and planning for officer profiles. The time taken to recruit officer and staff posts is monitored and reported upon to provide indicators used in planning.

We were advised by the Director of HR that where specific assumptions are used (rather than assuming a trend will continue) commentary is generally provided to support the data and to explain how assumptions have been calculated. Through our review we noted this was the case regarding assumptions recently made in for forecasts of officer / staff numbers to 2026 and 2031.

The Establishment Board also receives the strength data for officers overall for the current year (profiled and actual strength forecasts), in addition to a rolling 12 month report on the overall Police Officer establishment (versus actual strength and details of actual strength after abstractions) for the BCUs.

From our review we noted the data produced is clearly set out and the graphs included made it easy for the reader to interpret the data produced.

The various elements of turnover are fed into the resource planning process. The figures are produced monthly through a 'Discoverer' template (which is linked to NSPIS HR), and HR tailors the report and factors leavers, forthcoming retirements and any 30+ service cases into the planning process.

The Head of Finance confirmed the salary budgets set for 2008/09 were underspent at year end confirming the vacancy factors applied were achieved. From budget information provided by Finance for 2009/10 we were advised that the Force has applied a vacancy factor ranging from 0% for smaller departments to 5% for larger departments on police staff. For Police officers detailed projections were prepared based upon retirement dates and course dates for police intakes.

Environmental Scanning

The Human Resources Department produces its own Environmental Scanning on a monthly basis. As part of their links with Northamptonshire Police, both forces exchange their scanning reports which have on occasions provided additional information.

HR Scanning may come through various channels including:

- NPIA
- Home Office
- ACPO
- National press
- Specific website links in HR
- The Chartered Institute of Personnel and Development (CIPD).

Over recent months the Force has established a new group to cover horizon / environmental scanning and they are also provided with scanning from the Merseyside Force that has a dedicated resource for environmental scanning. We were advised that a member of staff in workforce planning is to join this scanning group to expand the Force's scanning arrangements.

We will be providing information within our thematic report on the various environmental scanning sources that the five forces use as we believe it will provide useful information as well as opportunities for further sharing of information and intelligence.

3.2.3 Succession planning and deployment

The Detailed HR Plan for 2009/10 sets out plans to develop effective succession planning processes for the Force. Plans also include identifying key roles to develop succession plans for the future. Some elements for succession planning are linked to both workforce planning and Learning and Development within HR including promotions and skills mix/ profile.

A Promotions Processes Planner is maintained and this sets out the timetable for the various ranked promotion plans.

We were advised that the Force has established both an Inspector and Sergeant process to provide a pool of officers at these levels to fill gaps as they arise. There is presently a pool of six Inspectors available although we were advised that the Sergeants pool is presently empty.

The Senior HR Office explained that arrangements for succession planning are currently under development and have been improved upon recently although at present these are not formally documented. At present the focus is to work on mapping the process and a member of staff has been in contact with the Hertfordshire Force (which has already mapped out its succession planning process) and will be visiting Hertfordshire to gain some assistance and advice on how to progress this at Leicestershire.

Recommendation

- | | |
|---|--|
| 4 | The task to document and map the succession planning arrangements should be completed and then this used to develop succession planning arrangements within the Force.
(Merits Attention) |
|---|--|

Skills Analyses

A critical skills audit was undertaken in 2008/09 as part of a national requirement (PNICC). The Senior HR Officer noted that the Force has now started to pick off the sub-set skills and that these have been completed for both Firearms and Dog Handling. Further work is expected to be completed once other associated workforce planning priorities relating to planning for 2010/11 have been dealt with. It is important this is continued to identify any potential skills gaps so to ensure that the Force can identify and respond to any skills gaps.

Recommendation

- | | |
|---|--|
| 5 | HR should ensure that the skills audit process is completed so that the Force has a complete picture of any skills gaps that may need to be addressed.
(Merits Attention) |
|---|--|

We were also advised that any skills changes notified to HR are updated on skills records on an ongoing basis and mechanisms are in place where on a quarterly basis HR requests updates on any new skills.

In 2008/09 HR produced a Recruitment Strategy to take account of skills gaps; this is ongoing for 2009/10. In addition to the recruitment plans the document sets out the direct targeting of specialist transferees with specific skills and experienced Special Constables.

Performance and Development

The Performance Development Review process provides the key mechanism to review progress and discuss career aspirations. The plans for career development, leadership and management development programmes, leadership skills and general employee development plans are set out in the Detailed HR Plan for 2009/10 and progress is being monitored and reported to the HR Committee of the Authority.

The Director of HR advised that other mechanisms are in place to encourage development and these include:

- Hosting Women's Development Days to promote progression in policing.
- Provide feedback to officers failing at promotion boards and seeking to provide opportunity to move officers around the Force to upgrade the skills required to progress

HR also plans to prioritise training skills delivery to ensure alignment to organisational goals and targets and that it is delivered in the most cost effective way.

3.2.4 Impact of projects and collaborations

Collaborative activity within the region ranges from a programme of work carried out by the EMCP, formal structures such as the East Midlands Special Operations Unit (EMSOU) and East Midlands Counter Terrorism Unit (CTIU) as well as others linked to informal agreements between forces.

Much of the work is managed through the East Midlands Police Collaboration Programme which includes projects to improve performance, increase capacity and capability, better use of technology, use of officers and police staff time, and to save money and deliver best service with resources available.

A Collaboration Board comprising the five chief constables and five police authority chairs meets twice a year to focus on planning and 15 police officers and police staff manage the development of projects for the regional programme, managed by a programme director.

Update reports are reported back to the Force as confirmed for the F&GPC meeting of 24 March 2009.

Note: The Force has formed links with other forces in the region on workforce planning and is actively working with Northamptonshire at present.

The HR Director attends regional collaboration meetings as well as the Chief Officer Group, both of which are mechanisms where the feasibility of projects and joint working would be identified and discussed for consideration and can then be fed into plans as appropriate.

3.3 Roles and Responsibilities

3.3.1 Planning and Data

Within the Force there are a number of key groups where workforce matters are discussed:

- The **Establishment Board** receives regular update profile reports on the establishment numbers as noted previously. Workforce planning is covered at all meetings
- The **Establishment and Finance Group** receives regular reports on profiled and actual strength forecasts and workforce plans for future years in preparation for the budget setting process. Matters relating to workforce planning are discussed at each meeting.
- **Performance Delivery Group.** The HR workforce planning establishment data is discussed at each monthly meeting and is attended by Chief Officers of the Force and covers key aspects on workforce planning matters.
- At the **HR APEX** meetings various workforce matters are discussed including outcomes on recruitment, sickness, progress against the HR Business Plan and other associated HR issues.
- **Force Strategic Financial Planning Group:** This is not strictly a committee or panel of the Authority but the group Authority Members as well as Force representatives. The Group focuses on progress and delivery of business improvements, savings and efficiency as well as how best to manage risks so to ensure business continuity and emerging threats pressures and opportunities. Coverage may include workforce planning matters dependent on the nature of topics on the agenda.

3.3.2 Shaping the Force

From an operational perspective the Chief Constable advises the Authority on the establishment numbers required to deliver the services required for the Force. In discussions with the Authority on the budget plans for the forthcoming year decisions are made on the actual establishment numbers for the year. For 2008/09 additional posts were agreed following the outcome of the public consultation process to link to service provision. Much of the discussion and planning is done through the joint meetings for the Strategic Force Planning Group which is attended by the Treasurer and members of the Police Authority. The process and involvement of Force and Authority was confirmed through review of minutes from the meetings held in November 2008 and January 2009.

The budget setting process for 2009/10 involved discussions at the Force Strategic Chief Officers Group and outcomes were then discussed at Member Discussion days prior to submission of a joint report of the Treasurer and Chief Constable to support the budget proposals for approval via the Police Authority in February ready for the start of the next financial year.

We will be providing information within our thematic report on how workforce planning issues are reported to the Authority (or committee of the Authority) and comparing the specific roles that HR Committees (or equivalent) have in relation to workforce planning.

3.4 Reporting

3.4.1 Reporting of Data

The Chief Officers of the Force receive various reports on workforce planning activity and progress depending on their requirements. In addition to the HR plans, reports and workforce plans reported to various groups, we confirmed through review of papers that the Chief Officers received details of the Leicestershire High Potential Development Scheme, (and the national scheme linked to this HPDS), a report on the Police Promotion Process linked to career development.

Chief Officers also attend Performance Delivery Group meetings where data and details on the establishment and movements are discussed.

The Force's Director of HR is a designated Chief Officer and sits on all Chief Officer Groups (as ACC equivalent) in the organisation. This provides a direct reporting line to the Chief Constable.

The actual leaver figures for both officers and staff in used in the HR Scorecard and passed to HR APEX. We traced this data back through the system to source data and confirmed these figures were accurately reported for the 'raw data' files.

Productivity

Mobile data terminals are used in the Force and productivity on use of the Crime Intelligence System is monitored and data collected to evidence the usage. We noted that details of crimes registered, records added, records updated, new records viewed and total records viewed are collated.

The Performance Delivery Group monitors the activity each month and information is also reported back to the Finance Director. Reports are also passed to Chief Officer Group meetings periodically. While not explicitly linked to workforce planning, we have reviewed how each force uses productivity data and whether this is linked to workforce planning.

3.4.2 Reporting to the Authority

The Authority's HR Committee oversees Force workforce planning matters on behalf of the Authority.

The Chair of the HR Committee confirmed that she oversees matters on workforce planning on behalf of the Authority and also sits on the Authority's Finance & General Purposes Committee. The Chair also has scheduled meetings if necessary on requirements. Topics discussed include workforce plans and progress on and future plans for related matters.

The HR Committee receives quarterly reports on HR matters and also a report on the Business Plan performance information. This includes details on officer strength forecasts, recruitment, PBO/ LPO establishment versus strength, PCSO establishment and actual strength projections up to March 2010, BME / Female representation data, sickness data, updates on various planned developments information on the leadership scheme. We reviewed and confirmed data reported in August 2009 back to source data to confirm the accuracy of data reported to the HR Committee.

Details of the establishment figures are set out in rank order for officers and a comparison is provided between the current period and the same period the previous year.

The Chair of the HR Committee confirmed that the information is suitable to the Committee's needs and in the event additional information is required, this is provided.