

## **Written submission from the Scottish Government to the Public Audit Committee, dated 14 July 2014**

I am writing in response to the Public Audit Committee's report on Police reform and have set out in this letter, responses to the recommendations that are the responsibility of the Scottish Government. I understand that you will be receiving a separate response from the Scottish Police Authority covering remaining recommendations relating to their role and responsibilities.

### **Paragraph 39 – Full Business Case & Financial Strategy**

In my letter to the Committee on 8 January 2014 I explained the use of the terms “financial strategy” and “full business case” and the context in which these had been used.

As the evidence provided to the Committee by Police Scotland, HMICS and the Auditor General for Scotland confirmed, the priority for Police Scotland and the SPA was to focus their time, efforts and resources into producing a financial strategy.

The Police Scotland Corporate Strategy, which was published on 26 March 2014, provides the basis of the financial strategy sought by Audit Scotland providing evidence-based options for achieving savings and long term strategies for estates, workforce, procurement and ICT.

### **Paragraph 41 – Finance Committee**

When the Scottish Government gave evidence to the Finance Committee at Stage 1 of the Bill, the intention was to further develop the Outline Business Case. Work was undertaken by the Scottish Policing Board, Police Reform Sub Group on this and subsequently the SPA and Police Scotland.

However, as the Chief Constable and HMICS both pointed out in their evidence to Public Audit Committee, it was agreed that converting what was already a very detailed appraisal (the Outline Business Case) into a Full Business Case would prove an unnecessary distraction during the transition to a single service.

It was agreed that the priority during the period up to Day 1 was the establishment of a new single service, delivering the benefits of reform and readiness for the Commonwealth Games. In advance of 1 April 2013, a 1 year savings plan was developed. Following the establishment of Police Scotland and the SPA, full details of how the new structure would deliver the estimated savings and projected benefits were developed in a more detailed and comprehensive (2 year) financial strategy – as part of Police Scotland's Corporate Strategy – which was subjected to scrutiny by SPA at its Board meeting in March 2014 (and at earlier members meetings) where it was approved.

The SPA's Annual review of Policing which was laid before Parliament on 27 June 2014 sets out the progress that has been made by the SPA and Police Scotland during their first 12 months. The Chair's foreword confirms that “The first year has involved an operational, financial and legal merger while also maintaining vital

services to the public” and that “the SPA believes that this initial merger has been successfully achieved and strong foundations laid for meaningful police reform.”

### **Paragraph 58 – Baseline Information**

The Scottish Government’s Public Bodies Unit is currently preparing new guidance for the establishment of new public bodies. This guidance will include new bodies established from the merger of existing bodies.

The guidance makes specific reference to the identification and use of baseline information in the process of establishing a new public body, including costs and performance measures of predecessor bodies which can be used to inform future financial and business planning strategies, and as a benchmark against which future efficiency can be assessed.

### **Paragraph 82 – Staff & Support Costs Arising from Police Restructuring**

I can confirm that all additional costs of providing staff and other support are being recorded as part of the monitoring of costs arising from the police restructure.

### **Paragraph 89 – Costs of Restructuring**

I can confirm that Scottish Government is recording the full costs of reform and restructuring. In addition, an annual statement of accounts for both the Scottish Police Authority (including Police Scotland) and the Police Investigation and Review Commissioner will be published each autumn and will set out the detailed costs being incurred by both bodies.

### **Paragraph 130 – Reporting of Performance Management & Benefits**

The SPA Board has agreed an approach to performance and benefit reporting which will examine both performance in operational/non-operational areas and monitor progress against the delivery of the benefits of reform.

The agreed performance management framework approved by the SPA in February 2014 details the information required by the SPA Board (provided by both SPA and Police Scotland) in order to provide effective scrutiny, challenge and support. The SPA Board now receives quarterly updates on strategic performance indicators. The Board use these reports to discuss and scrutinise the performance of Police Scotland with the Chief Constable.

In addition to the performance framework above, in April 2014, Police Scotland produced a Post Implementation Review of their benefits realisation framework. This report sets out the positive progress towards the delivery of the benefits of the reform process made in the first 12 months. The report was discussed at the SPA Board meeting in Airdrie in April 2014 (link below).

<http://www.spa.police.uk/assets/126884/225921/item12>

At that meeting the Board also considered a proposal for the future monitoring and reporting of progress towards benefits realisation. It was agreed that SPA Board members will receive progress reports every 6 months from Police Scotland, which outline the advances made towards the delivery of intermediate benefits in line with predicted forecasting schedules. In addition, detailed performance reports will be provided to SPA members' meetings on a quarterly basis, outlining progress made towards the realisation of intermediate benefits, with exception reporting on the delivery of operational benefits.

### **Paragraph 132 – SPPF and Trend Data**

The responsibility for developing and maintaining the policing performance framework lies with the SPA rather than the Scottish Government, though SG is supporting their work in this area. The SPA is focussed on the continuous improvement of their Performance Framework and all available data, current and historic, informs that process.

The Authority is currently working with partners to identify opportunities for enhanced comparability of data and is looking to continue to develop the performance framework over the coming months. The Authority is undertaking a review of all its KPIs with a view to establishing their continuing fitness for purpose and the ability to obtain historical data for wider monitoring, analysis, continuity and benchmarking purposes - this will include considering past Scottish Policing Performance Framework data when analysing trends and patterns over previous years.

In addition to the SPA performance framework there is a range of other relevant data sources, such as "*Recorded Crime in Scotland*", which also provide the ability to track the trends on crime and policing.

### **Paragraph 133 – User Consultation**

The development of the performance framework adopted by the SPA was overseen by a project board which had representation from a number of relevant organisations including the Scottish Government, ACPOS – Chief Constable Pat Shearer from the ACPOS Performance Management Business Area, the Improvement Service, COSLA, Lothian & Borders Police Board, HM Inspectorate of Constabulary for Scotland and legacy police force representatives – officers and staff.

The project team leading the work visited each of the legacy forces at least once over a 6 month period and gave presentations on the content and purpose of the new performance framework. The performance framework was revised considerably over this period based on feedback received from stakeholders. As part of the SPA's approach to continuous improvement, a formal review of the performance framework, through workshops and consultation, is scheduled for Autumn 2014.

### **Paragraph 134 – SPA/Police Scotland Official Statistics Status**

It is for individual organisations to decide whether they seek to become producers of official statistics - this can be achieved by amendment to the Official Statistics (Scotland) Order 2008.

As with other organisations, the Scottish Government would support any organisation in pursuit of this status.

### **Paragraph 139 & 140 – Post Implementation Review**

Much learning has already been captured from what is the biggest public sector reform since devolution, and has been shared accordingly. The previous and current Scottish Government Directors responsible for Policing have run internal sessions for senior Scottish Government staff, sharing lessons learned from the reform process.

As the Committee is aware, as part of the programme management arrangements, a lessons learnt report was published by the Police & Fire Reform Team, which was comprehensive and covered all aspects of the project to establish the new arrangements. Gateway reviews were commissioned in May 2012 and January 2013 as part of our commitment to independent assurance of the police and fire reform programme. At both points there was an overall review of the programme, and a more detailed review of the police-service led part of the programme, carried out by same review team. This reflected the greater size and complexity of the service-led part of the programme.

A joint Scottish Government/police service action plan was delivered to respond to all the recommendations from 2012 reviews, reported to the Joint Programme Board. All recommendations from 2013 reviews were met to ensure successful achievement of Day 1 for the Police Service of Scotland.

An “Evaluation of Police and Fire Reform”, which will be led by Scottish Government analysts, will provide information that supplements this work. This evaluation has recently been signed off by Scottish Ministers and will be commissioned over the summer of 2014. The evaluation will:- evaluate progress in the delivery of the three policy aims of the police and fire reform process; learn the lessons from the implementation of reform to inform future policy development around public service reform; and consider the wider impact of reform on the Justice and public service system. The evaluation will collect and analyse data over the next four years. This timescale will allow time for reform to bed in and therefore enable change and progress to be analysed effectively. Scottish Government will be considering progress with the evaluation on an annual basis throughout the overall timeframe of the work.

We have also recently undertaken a joint meeting of SPA and SFRS boards to share learning and experience from their first year as scrutiny bodies for Police and Fire and Rescue services, and approaches to the development of service delivery.

I trust that my responses above address the various recommendations for which the Scottish Government has responsibility.

Yours sincerely

**LESLIE EVANS**