

**LINCOLNSHIRE POLICE AUTHORITY
FINANCE AND PERFORMANCE COMMITTEE
8TH JUNE 2010**

SUBJECT		LINKING FINANCE AND PERFORMANCE	
REPORT BY	TREASURER & CHIEF CONSTABLE		
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SUMMARY AND PURPOSE OF REPORT			
To provide an update on the early work undertaken in providing analysis of the consumption of financial resources and consequent impacts on performance.			
RECOMMENDATIONS	<ol style="list-style-type: none"> 1. <i>That the report be noted.</i> 2. <i>To obtain feedback from members on the format, content and approach of the draft scorecard.</i> 		

A. SUPPORTING INFORMATION

1. INTRODUCTION

- 1.1. Following the end of the Activity Based Costing regime and the commencement of Police Objective Analysis (POA), it was recognised that a gap existed in our understanding of resource allocation and performance (outcomes).
- 1.2. Whilst historic cost analysis and comparisons of spend via benchmarking are being undertaken and will form an important part of the HMIC's assessment of the Force, the linkages between resource allocation and performance outcomes are not being examined at a national level. Locally, we are of the view that to take this one step further and look at the outcomes would be a really useful piece of work. There are clear linkages in this approach to the strategic objectives in the policing plan¹ and the work would also form evidence for the Police Use of Resources Assessment.
- 1.3. For this reason a working group was formed of Authority and Force Finance and Performance staff to examine options and undertake some analysis. It was recognised from the outset that this area of work had been looked at by many other Forces with limited success and where progress had been made in some instances this was with a great deal of investment.

2. PROGRESS

- 2.1. The group commenced meeting in November 2009 and has now met on four different occasions to discuss the options available. Research has been

¹ We will prioritise our activities and address risks by introducing an approach which demonstrates the linkage between performance outcomes and financial allocations.

undertaken looking at work done in central Government and other countries such as New Zealand.

- 2.2. The group decided that it would be opportune to utilise the analysis groupings of the POA as this was becoming established and would form a meaningful basis for comparison across Forces as the data sets mature.
- 2.3. The group looked at different ways of presenting and analysing data and whilst many different options were available the group decided upon a scorecard approach. This scorecard should contain all relevant available information relating to a specific area of activity (based on POA level 1 hierarchy, see appendix A). The scorecard should fit on one piece of A3 paper displaying both qualitative and quantitative information.
- 2.4. Looking at the headings available within this analysis it was decided to concentrate on area 2 of the POA 'Dealing with the public'.
- 2.5. The initial version of the scorecard has been attached as appendix B to this report. The scorecard is broken down into several areas:

Area Description

- 2.6. This section details what is included within each of the Level 1 POA headings. Departments, specific roles and supporting overheads will be listed.
- 2.7. Local and National Requirements. Any local or national requirements pertinent to the area will be noted here, such as Policing Pledge standards of service, impending or past HMIC or Audit Commission assessments and Policing Plan strategic objectives and priorities.

Performance

- 2.8. This section includes relevant performance indicators including but not exclusively the Force Service Delivery Pack and HMIC VFM Profiles. The HMIC VFM indicators were published in March 2010² and provide MSF benchmarking information on:
 - What the police are spending their budgets on;
 - Staffing levels by grade and function; and
 - Outputs and outcomes in a comparable format.
- 2.9. As a general rule, income and expenditure data relates to 2009/10 budget estimates, workforce (FTE) relates to the year-end position (March 2010), crime data relates to 2008/09 with outcomes and satisfaction based on 2008/09 data.
- 2.10. In this draft scorecard, the HMIC Profiles are based on 2008/09 data; Lincolnshire's equivalent 2009/10 position has been added to enable comparison at a Force level between the two years. MSF information for 2009/10 is not publicly available.

² HMIC VFM Profile: <http://www.hmic.gov.uk/policeperformance/pages/valueformoneyprofiles.aspx>

