



**TO:** Business Co-ordination Board

**FROM:** Chief Constable

**DATE:** 09 November 2017

### External scrutiny – HMICFRS requirements

#### 1.0 Purpose of paper

1.1 The purpose of this report is to update the Business Coordination Board (“the Board”) on evolving proposals to make improvements to force business planning processes to ensure that the force can effectively complete its first force management statement for HMICFRS by May 2018.

#### 2.0 Recommendation

2.1 The Board is recommended to note the content of this report.

#### 3.0 Introduction

3.1 In order to be truly efficient, effective, and accountable, a police force requires strong business planning processes, joining organisational and operational objectives to financial, workforce, and partnership planning in the medium and long term. This is becoming increasingly important as demand increases and police and partner finances continue to reduce. In order to achieve business improvement, and to ‘shrink together’ with partners, it is also important that business planning decisions are well understood by all and are used to inform governance within the organisation. While Cambridgeshire Constabulary completes financial planning effectively and undertakes workforce planning activity at a BCH level, there is still work to do to develop a fully integrated business planning process that truly drives decision making across the organisation.

3.2 There is an increasing political imperative to amend our approach as a result of the introduction of force management statements by HMICFRS. These are designed to improve and streamline force business planning processes and the information forces produce for:

- Their own management purposes, to ensure the highest practicable levels of efficiency and effectiveness.
- Their accountability to local policing bodies, the Home Office, HMICFRS and, most importantly, the public.

#### 4. Force management statements

4.1 Every Chief Constable will be required to produce an annual force management statement (with necessary redactions on security grounds) from May 2018, containing:

- The financial resources which the force expects to have in each of the succeeding three to five years.
- The demand (latent and patent, crime and non-crime) which the force expects to face in each of those years.
- The assets (predominantly people) which the force has to meet that demand, specifically:
  - The **capacity** of the workforce and other assets (how much work can they do).
  - Their **capability** (their skills and the extent to which those skills are likely to meet current and future demand).
  - The serviceability and wellbeing (**condition**) of the workforce and other assets (what does it take in money, time and effort to look after these assets).
  - Workforce **performance** (how well do they perform and how will this change over time).
  - **Security of supply** (resilience to surges in demand).
- The Chief Constable's plans for improving the efficiency and effectiveness of the force.
- Last year's performance against performance projections.

4.2 Force management statements will assist Chief Constables and PCCs in making valid and valuable comparisons over time, both of their own force, and with others.

4.3 Force management statements are complementary to Police and Crime Plans, force strategic assessments, and annual governance statements. The force management statement will enable PCCs to assure themselves of areas where forces are not efficient and effective. The statement will allow an assessment of in which respects and to what extent the objectives of the police and crime plan and the strategic policing requirement are likely to be met, how quickly, and at what cost. **Annex A** shows how all business planning products link together.

#### 5. Overview of principles of force business planning

5.1 While a variety of planning activity currently takes place in force, it does not cover the full breadth of information required to deliver a force management statement. This new requirement from HMICFRS therefore presents an opportunity for the force to re-invigorate its business planning processes to enable creation of a suite of high quality planning products that drive business activity and enable everyone in the organisation to understand how they contribute to delivery of the force vision and mission and the Police

and Crime Plan. This in turn will support production of the Medium-Term Financial Strategy and Workforce Plan.

- 5.2 A new process is currently being designed by Corporate Development, and will predominantly be delivered through the Governance and Inspection Team.
- 5.3 The principles underpinning the new planning process are:
- 1) Mirroring where possible the approach to collaboration business planning defined following the Concerto Review.
  - 2) An increased focus on departmental level business planning, to ensure strategic leads actively contribute to the process and drive improvement in their own areas of business.
  - 3) Central production of documents through Corporate Development, where possible, to reduce the burden of planning on operational functions.
  - 4) Sourcing data once and re-using it across a variety of products.
  - 5) Production of rolling plans, which are annually refreshed, minimising the burden on the organisation.
  - 6) Publication of the plans, as far as is possible, so that they can be used as a tool for partner engagement and communication and encouraging transparency about what we do for the public.
  - 7) The use of visual presentations to engage a wider audience.

## **6.0 Governance**

- 6.1 Work is also ongoing in Corporate Development to develop proposals for more streamlined and effective corporate governance. This will be supported by the business planning process.
- 6.2 It is envisaged that operational leads will be held to account for delivery against departmental business plans through an ACC chaired process, that other functions will be held to account through a parallel DCC/CFO chaired process, and that collaborated functions will be held to account through the DCC chaired delivery boards. Force Executive Board would then become responsible for overall progress against the force business plan and BCB for issues identified in the force management statement.
- 6.3 Full governance proposals will be developed for the force to consider following completion of the Local Policing Review business cases.

## **7.0 Business planning stage 1: Force strategic assessment**

- 7.1 The 2017 force strategic assessment has already been prepared by the Central Intelligence Bureau and the Strategic Tasking and Coordination Group was held on 9 October 2017.
- 7.2 Consideration is currently being given to the timing of the next refresh to fit with the new business planning process.

7.3 Recommendations about the new Control Strategy priorities and Intelligence Requirement will be made to Force Executive Board in November 2017.

## **8.0 Business planning stage 2: Departmental business planning**

8.1 Work is currently underway to produce templates and exemplar products to assist departmental heads to work with Corporate Development in the production of their first business plans.

8.2 Corporate Communications are assisting with the commissioning of design work, which can be managed within existing budgets.

8.3 The process for producing departmental business plans will be presented to heads of department in November 2017, once business cases for the Local Policing Review have been agreed. Plans will be produced for both operational and back office departments.

8.4 Each departmental business plan will be around 12 pages in length, and consist of a hyperlinked pdf. Sections will answer the following questions:

- Who are we? [owner]
- Why are we here? [purpose/vision]
- What do we do? [demand/objectives/priorities]
- What does success look like? [performance indicators]
- Why do we do it? [current risk/future risk]
- What do we need? [finance/resources/governance/strategy/policy]
- How do we get better? [continuous improvement plans].

8.5 Where departmental business plans do not already exist in collaborated units, these will be developed in parallel by the BCH Portfolio Office and Heads of Department.

8.6 Plans will have clear links to the force vision and mission, and be cogniscent of the Police and Crime Plan aims and objectives over the next 3-4 years, and the medium term financial strategy.

8.7 Once the first plans have been produced, it is expected that they will be refreshed annually.

8.8 Corporate Development staff will be receiving training in data visualisation techniques from The Guardian, and now have access to Tableau software for data visualisation as a result of the purchase of the Process Evolution suite of tools. This will enable a step change in the design of our business planning products.

## **9.0 Business planning stage 3: Force business plan and force management statement**

9.1 Following the production of the departmental business plans, an event will be held where strategic leads, the OPCC, and frontline representatives come together to look across the business and identify key organisational risks for the future, national threats and

opportunities, the collaboration agenda, and financial and workforce challenges. This will help inform development and agreement of the force business plan and force management statement, which will be led by the Head of Corporate Development. The chief officer lead will be the DCC.

- 9.2 The force business plan will follow a similar format to departmental business plans, but will be designed as a completely public facing document. The format of the force management statement will be determined by HMICFRS.
- 9.3 The force business plan and force management statement will also be informed by business plans for Organisational Support, Operational Support, and Joint Protective Services, to be produced by the BCH Portfolio Office, and by information from ERSOU and the 7 force collaboration programme.

## **10.0 Limitations of the 2017/18 process**

- 10.1 In order to effectively integrate the force management statement with this year's financial planning cycle, it was necessary for HMICFRS to provide guidance to forces by 1 July 2017. This aspiration was not met, with the guidance arriving in October and still subject to change following consultation until February 2018. It is therefore not possible to build a planning cycle for 1 April 2018 that dovetails all financial, business, and workforce planning processes.
- 10.2 There is limited opportunity for this year's business planning process to influence medium term financial decision making at this point. However, this is mitigated to some extent by current work on the Local Policing Review, which enables the force to link demand to resources more effectively than in previous years. HMICFRS acknowledge the challenges that forces will face in the first year of this new process.
- 10.3 It is intended to have the first force management statement ready for publication on 1 April 2018. Immediately following this, a new planning cycle will commence, enabling full join up of processes for the 2018/19 plan. Full consultation will be completed with the parties involved in planning over the next few months, to enable a full project plan to be put in place for the second force management statement in 2018/19.
- 10.4 There is a risk that, should HMICFRS impose a limitation on forces that the force management statement consider data for the full financial year 2017/18, that Athena implementation will constrain our ability to fully populate the first force management statement. This issue will be managed once the final guidance from HMICFRS is issued in 2018.
- 10.5 The implementation of Athena also has an implication should new performance frameworks be required to track new organisational objectives arising through the business planning process. Due to the pre-work required by the Performance Team to implement Athena, and the likely challenges with access to data and data quality in the first three months post Athena go live, there will be no major changes made to CORA between now and September 2017.

## 11. Recommendation

11.1 The Board is recommended to note the content of this report.

## BIBLIOGRAPHY

<b>Source Document(s)</b>	
<b>Contact Officer(s)</b>	Dr Natalie Benton, Head of Corporate Development, Cambridgeshire Constabulary

**Annex A: Links between business planning products.**

