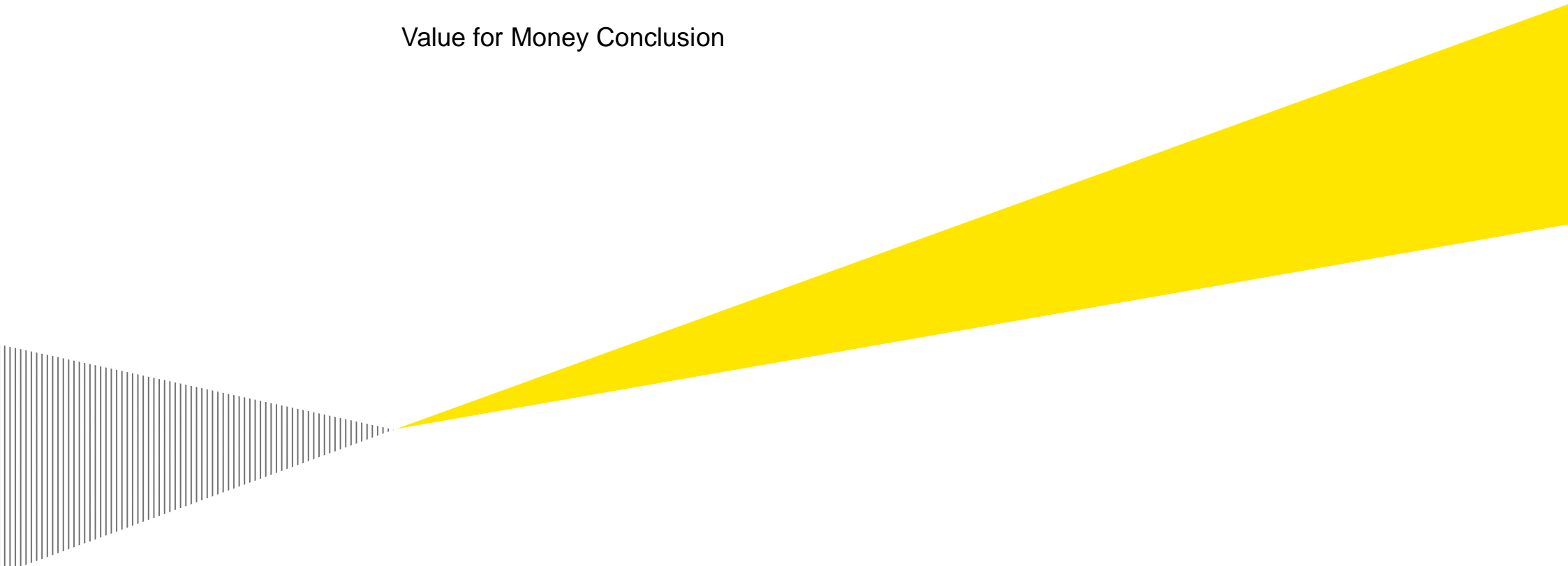


# 2015/2016 Leicestershire Police

Value for Money Conclusion



The National Audit Office has consulted on the audit approach for the Value for Money (VFM) conclusion. As a result, there has been a change effective from 2015/16:

	Previously	Revised from 2015/16
Proper arrangements defined by statutory guidance	<ul style="list-style-type: none"> <li>▶ Securing financial resilience the Authority has robust systems and processes to manage effectively financial risks and opportunities, and to secure a stable financial position that enables it to continue to operate for the foreseeable future.</li> <li>▶ Challenging economy, efficiency and effectiveness the Authority is prioritising its resources within tighter budgets, for example by achieving cost reductions and by improving efficiency and productivity.</li> </ul>	<p>Whilst a conclusion may not be required, we are still required to assess the Authorities arrangements to:</p> <ul style="list-style-type: none"> <li>▶ Take informed decisions.</li> <li>▶ Deploy resources in a sustainable manner.</li> <li>▶ Work with partners and other third parties.</li> </ul>

We expect to be able to adopt an integrated audit approach, so our work on the financial statement audit feeds into our consideration of the arrangements in place for securing economy, efficiency and effectiveness.

In previous years, the Value for Money conclusion was based on two criteria;

1. securing financial resilience; and
2. challenging how they secure economy, efficiency and effectiveness

It has now been shorted to one:

*“In all significant respects, the audited body had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.”*

**Overall criterion for auditor’s VFM conclusion:** In all significant respects, the audited body had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.

	Characteristics of Proper Arrangements	Examples of potential sources of assurance
<b>Informed decision making</b>	Acting in the public interest, through demonstrating and applying the principles and values of sound governance	<ul style="list-style-type: none"> <li>• Review of minutes</li> <li>• Governance Statement</li> <li>• Robust and timely budget setting and monitoring, reporting to Police and Crime Panel</li> <li>• Forces response to regulators reports, for example:               <ul style="list-style-type: none"> <li>- The Independent Inquiry into Child Sexual Abuse (IICSA)</li> <li>- HMIC report – ‘In harm’s way: the role of the police in keeping children safe HMIC’</li> <li>- Police Effectiveness Efficiency Legitimacy’ (PEEL) assessment</li> </ul> </li> </ul>
	Understanding and using appropriate and reliable financial and performance information (including, where relevant, information from regulatory/monitoring bodies) to support informed decision making and performance management	
	Reliable and timely financial reporting that supports the delivery of strategic priorities	
<b>Sustainable resource deployment</b> <b>Sustainable resource deployment</b>	Managing risks effectively and maintaining a sound system of internal control	<ul style="list-style-type: none"> <li>• Alignment of corporate objectives with medium term financial plans</li> <li>• Risk management policy and framework, including review of the strategic risk register.</li> <li>• Performance management and assurance frameworks</li> <li>• Reference to Internal Audit Reports.</li> <li>• Robust medium term financial planning and budget setting/monitoring.</li> <li>• Consideration of:               <ul style="list-style-type: none"> <li>- HMIC report inspecting forces’ responses to the reduction in central government funding, and the effect this is having on the service they provide to the public. For example, “Policing in Austerity: Meeting the Challenge”.</li> <li>- HMIC ‘Police Effectiveness Efficiency Legitimacy’ (PEEL) assessment, reviewing:                   <ul style="list-style-type: none"> <li>• effectiveness of the force;</li> <li>• efficiency in relation to how the force provides value for money; and</li> <li>• legitimacy in relation to whether the force operates fairly, ethically and within the law</li> </ul> </li> </ul> </li> <li>• Reference to Home Office published statistics:               <ul style="list-style-type: none"> <li>- detailing the police workforce numbers (police officers, police staff, police community support officers, designated officers and special constables) in each local police area (published 6 monthly).</li> <li>- comparative data on procurement (published September 2015).</li> </ul> </li> </ul>
	Planning finances effectively to support the sustainable delivery of strategic priorities and maintain statutory functions	
	Managing and utilising assets effectively to support the delivery of strategic priorities	
	Planning, organising and developing the workforce effectively to deliver strategic priorities	
<b>Working with partners and other third parties</b>	Working with third parties effectively to deliver strategic priorities	<ul style="list-style-type: none"> <li>• Review of minutes</li> <li>• Review of Partnership agreements</li> <li>• Consideration of the Forces response to:               <ul style="list-style-type: none"> <li>- “Statutory guidance for police collaboration” (Home office published in October 2012).</li> <li>- HMIC and the NAO jointly published “Private sector partnering in the police service: A practical guide to major business partnering, <i>custody partnering and consultancy support</i>” in July 2013. This guidance highlighted some of the private sector partnering already undertaken by police forces, as well as good practice and areas of learning identified.</li> <li>- ‘Enabling closer working between the Emergency Services’. (Consultation published September 2015)</li> </ul> </li> </ul>
	Commissioning services effectively to support the delivery of strategic priorities	
	Procuring supplies and services effectively to support the delivery of strategic priorities	

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