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**Roger Baker QPM MBA MA**  
**Her Majesty's Inspector of Constabulary**

28 September 2012

Cllr Paul Murphy  
Chair – Greater Manchester Police Authority

RB/LKB

Ms Barbara Spicer  
Chief Executive – Greater Manchester Police Authority

Dear Paul and Barbara,

### **HMIC PCC Budget Preparedness Visits**

Thank you for the time the police authority spent with the HMIC team on 10 September 2012. The meeting presented an opportunity for you to provide an overview of your budget development process for 2013/14, the funds identified for transition and the development of potential models of governance, decision making and accountability.

I am writing to provide you with a summary of the discussions and to highlight any areas that emerged for further consideration.

### **Budget setting process**

You are taking a 'business as usual' and well established approach to your 2013/14 budget setting process. Your Medium Term Financial Plan is being regularly refreshed and updated. The November 2012 refresh will extend forward budget projections to 2016/17. You have completed a detailed analysis of the impact on your budget from a wide range of factors, including the localisation of council tax benefit, potential changes to the council tax base, the police precept component of local council tax and grant income.

You have engaged with prospective PCC candidates individually to brief them on the budget outlook and identify any early priorities that may have budget implications.

### **Preparation of scenarios to support the PCC in setting the budget**

You are preparing a range of alternative scenarios for the incoming PCC to consider in order to assist with setting the budget. The scenarios are based on technical options including the cumulative effect of council tax implications and service led options which include options for precept increases. The implications of each scenario on the force's savings requirement has been calculated as well as plans for how these savings might be made.

## **Workforce and service impact**

You described your current workforce plans which are progressing as planned, with officer recruitment resuming in 2012/13 and the recruitment of operational support officers commencing in 2012/13. Although service delivery transformation is one of the major change programmes to be delivered next year, none of the scenarios you have explored are expected to result in major changes to the service delivery plan.

You acknowledge that once more information on the next comprehensive spending review is available this may change.

The authority is continuing to pursue options for collaborating with AGMA and others as a means of increasing efficiency and reducing costs.

## **Forward planning: governance and the Office of the PCC (OPCC)**

You have calculated the likely costs associated with transition, which you intend to meet from your existing budget. The provisional budget for the office of the OPCC is based on the current police authority budget.

You have identified the principles for how the OPCC will operate and arrangements are being put in place for when the PCC takes up office. You have considered staffing requirements and identified areas where further support may be needed such as commissioning services and communications. Your draft plan for the PCC's induction and first 130 days has been completed.

A draft scheme of consent is in place and you are building a forward plan and draft report templates which include consideration of public and private briefings.

You have worked with the force to develop a range of provisional options for how the PCC will hold the Chief Constable to account. You have drawn on guidance issued by the Association of Police Authority Chief Executives and the Association of Police Authorities to assist you with this. You recognise that these proposals may develop in light of further national guidance and following discussions with the PCC.

You are also developing a draft engagement strategy for the PCC, based on a set of principles that include statutory obligations, partnership working and police and crime objectives.

The police and crime panel has been established and interviews are taking place in September to select two co-opted members to bring experience of the wider criminal justice system. The panel will sit alongside and as part of the Association of Greater Manchester Authorities governance arrangements.

In summary, you have a well developed budget development process which is based on prudent assumptions and takes account of a broad range of funding scenarios. You have developed a range of options for the PCC to consider once in post to assist them in delivering their statutory functions.

You are developing your plans for how the OPCC will operate to support the PCC in delivering their statutory functions. While your governance options for how the PCC might hold the Chief Constable to account are still work in progress, you have a clear idea of what the options are and are using national guidance to assist in developing these further. You fully understand that it will be a matter for the PCC which, if any, options they choose to adopt.

I would like to take this opportunity to thank the police authority for its continuing commitment to plan and prepare for the transition a PCC.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Roger Baker', enclosed within a simple, hand-drawn rectangular box.

**Roger Baker**  
**HM Inspector of Constabulary**

Copied:  
Sir Peter Fahy QPM  
Chief Constable – Greater Manchester Police

Ms Jayne Cunningham  
HMIC Liaison Officer