

**Zoë Billingham BA Hons (Oxon)**  
HM Inspector of Constabulary, Eastern Region

28 September 2012

Cllr Adrian Collett  
Chair – Hampshire Police Authority

Ms Jenni Douglas-Todd  
Chief Executive – Hampshire Police Authority

Dear Adrian and Jenni,

### **HMIC Police and Crime Commissioner (PCC) Budget Preparedness Visits**

Thank you for the time the police authority spent with the HMIC team on 06 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 planning is being regularly refreshed and updated and you have completed a detailed analysis of the impact on your budget from a wide range of factors including new council tax benefit localisation arrangements, the council tax base, the police precept component of local council tax and grant income.

You are engaging with stakeholders and prospective PCC candidates to brief them on the budget outlook and you have more events of this type planned in the next couple of months. You are meeting with the police and crime panel in October to discuss the budget setting process and how this supports the development of the police and crime plan.

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

You have prepared a range of alternative scenarios for the incoming PCC to consider in order to assist with setting the budget. These include a worst case scenario which involves a precept freeze and more positive scenarios based on different levels of precept increase. 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 and while you are not expecting any changes to your workforce projections for the next two years you will be reassessing the position from 2015/16 onwards. Similarly, none of the scenarios you have explored are expected to result in major changes to existing service delivery plans although 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 others as a means of increasing efficiency and reducing costs.

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

You have set aside a small transition budget to take account of any one off costs and the provisional budget for the OPCC is based on the current police authority budget.

You have identified the principles for how the OPCC will operate and comprehensive 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. You have an induction plan and diary for the PCC's first 100 days which identifies essential activities. A legacy document will provide key information to assist the PCC in their early days.

You have already developed a decision making process which is flexible and able to deal with different types of decision and you are currently trialling this process. You are also thinking through a range of options for how the public will be updated on key decisions.

You are now focusing on drafting your schemes of consent and delegation and are using national guidance provided by Chartered Institute of Public Finance and Accountancy to assist you with this. An interim joint audit committee is also being set up.


You are still in the process of firming up the range of options for how the PCC will hold the Chief Constable to account. Although this is work in progress you are drawing on guidance issued by Association of Police Authority Chief Executives and the Association of Police Authorities to assist you with this.

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 are also developing a range of options for the PCC to consider once in post to assist them in delivering their statutory functions.

Your plans for how the OPCC will operate to support the PCC in delivering their statutory functions are comprehensive. Your decision making processes have been thought through and are now being tested to identify any issues. 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 to a PCC.

Yours sincerely

A handwritten signature in black ink that reads "Zoë Billingham". The signature is written in a cursive style and is placed on a light blue, textured rectangular background.

**Zoë Billingham**

HM Inspector of Constabulary, Eastern Region

Copied:

Mr Alex Marshall QPM

Chief Constable – Hampshire Constabulary

Ms Julie Simms

HMIC Liaison Officer - Hampshire Constabulary