

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

28 September 2012

Mr David Lloyd
Chair – Hertfordshire Police Authority

Mr Andrew White
Chief Executive – Hertfordshire Police Authority

Dear David and Andrew,

HMIC Police and Crime Commissioner (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 our discussions and to highlight areas that emerged for further consideration.

Budget setting process

You have a well established budget setting process and you are taking a 'business as usual' approach for the 2013/14. The four year budget planning and setting cycle is continuing, with the proposed budget currently being prepared for 2013/14 and is expected to be presented to the police authority during September 2012.

The revised Medium Term Financial Plan will take account of analysis of the impact on your budget from a wide range of factors including localisation of council tax benefit, changes to the council tax base, the police precept component of local council tax and grant income.

The budget planning is based on prudent, well thought through assumptions and although well-developed you intend to still leave some budget choices for the PCC.

Preparation of scenarios to support the PCC in setting the budget

The principal scenario being developed for the PCC is the proposed change in the way support services through collaboration with Bedfordshire Police and Cambridge Constabulary involving the outsourcing of operational support services. If agreed you estimate this would provide a significant contribution to your 2013/14 savings requirement. You have decided that the final decision should be made by the incoming PCC.

You have described a twin track approach which includes alternative proposals should this not be agreed and are also pursuing opportunities for savings across a range of support functions.

Workforce and service impact

You described your current workforce plans, which are progressing as planned, including your focus on maintaining police officer numbers. You have already delivered efficiencies by collaborating a number of policing functions through your strategic alliance with Bedfordshire Police and Cambridgeshire Constabulary. The principal impact on staffing will come when a decision is made on whether to outsource the support functions.

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

The police authority is developing an 'aligned' model of governance, which recognises that the OPCC and the force are two distinct organisations but where many of the functions are closely aligned. This model is considered as providing a framework that will be the most cost-effective but also one that gives the greatest flexibility to change should the PCC prefer a different approach.

The authority propose to build on many of the existing operating processes, for example, the force operates robust performance monitoring and accountability and it is planning for the PCC to become involved as a mechanism through which to hold the force to account.

Work is being progressed to develop decision making frameworks alongside this approach which ensures due diligence and transparency. Again this builds on public and stakeholder engagement in decision making which is already well established.

The police and crime panel is in place and you have arrangements for a joint audit committee.

In summary, your budget development process is based on prudent assumptions. You have proposals for PCC governance arrangements and are developing approaches to decision making and accountability, however the police authority understands that this is ultimately a decision for the PCC.

I hope that the above comments are beneficial as you continue to plan and prepare for 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-colored, textured rectangular background.

Zoë Billingham
HM Inspector of Constabulary, Eastern Region

Copied:

Mr Andy Bliss QPM
Chief Constable – Hertfordshire Constabulary

Mr Adrian Culleton
HMIC Liaison Officer