

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

28 September 2012

Councillor Barry Young
Chair – Lincolnshire Police Authority

Mr Malcolm Burch
Chief Executive – Lincolnshire Police Authority

Dear Barry and Malcolm,

HMIC Police and Crime Commissioner (PCC) Budget Preparedness Visits

Thank you for the time the police authority spent with the HMIC team on 17 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

Your budget setting process is in place and your medium term financial plan (MTFP) continues to be refreshed on a regular basis. Given the level of uncertainty that still exists you have made prudent assumptions and a detailed assessment of potential costs and pressures. The force and authority have a strong and detailed understanding of their budget and since the data presented in *Policing in Austerity: One Year On* you have worked hard to identify further savings to balance the budget in the final year of the spending review.

In recent years your reserve position has been strengthened to provide some resilience and while modest reserves would be available to smooth any budget gaps you are not currently planning for these to be drawn down in this spending review period.

Preparation of scenarios to support the PCC in setting the budget

Given no firm commitments have been made by potential candidates you have developed a range of scenarios based on different levels of the police precept component of council tax rather than bespoke scenarios. You have held briefings with candidates on the financial outlook and the current proposals and assumptions in the MTFP.

Workforce and service impact

You have a comprehensive understanding of the workforce given the work necessary to partner with G4S. You have also undergone a detailed scrutiny of all police officer posts, assessing whether they are necessary on the basis of risk threat and harm. You can describe the variations in officer numbers associated with differing levels of precept.

Your scenarios for this spending review do not envisage any significant changes to service delivery. However, you acknowledge that significant further reductions in the next spending review would have an impact on the service you could provide to the public.

You have prepared briefing on the collaboration in East Midlands, as this currently contributes modest levels of savings

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

A small transition budget has been set aside and preparations are advanced for the PCC's first 100 days in office. You have developed a proposed structure and way of working for the OPCC and conducted a skills analysis to identify where further support may be needed for example in the areas of commissioning and media relations. The current budget and structure takes into account a deputy PCC post. You recognise that the structure and approach of the OPCC will evolve depending on the operating requirements of the PCC and your approach is flexible enough to accommodate this.

Your shadow police and crime panel has met twice, its chair is in place and the process of recruiting independent members is underway. Temporary arrangements are in place for a joint audit committee which will allow immediate business to be carried out but will allow the PCC when in post with the force to establish a permanent structure.

You have developed a proposed accountability model and decision making process which is fit for purpose from day one. This model has been discussed with the force and at a regional level and you are now moving away from your committee structure and piloting a new governance approach to test gaps and support the development of further options.

In summary, you have a well developed budget setting process which is based on up to date and sound assumptions. You are developing a range of options to allow the PCC when in post to set the budget for 2013/14.

Your plans for how the OPCC will operate to support the PCC in delivering their statutory functions are comprehensive. You have developed a governance approach and model which is adaptable and scalable and you fully understand that it will be a matter for the PCC which approach they chose 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 on a light blue grid background. The signature reads "Zoë Billingham" in a cursive script.

Zoë Billingham

HM Inspector of Constabulary, Eastern Region

Copied:

Mr Neil Rhodes
Acting Chief Constable – Lincolnshire Police

Ms Kathy Judge
HMIC Liaison Officer