

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

28 September 2012

Mr Peter Williams JP  
Chair – Surrey Police Authority

Ms Alison Bolton  
Chief Executive – Surrey Police Authority

Dear Peter and Alison

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

Thank you for the time the police authority spent with the HMIC team on 12 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 process was started earlier than in previous years in preparation for the incoming PCC. Your medium term financial planning is being regularly refreshed and updated, and you have completed 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 precept 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 planning to meet the police and crime panel (PCP) 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 funding scenarios, and together with the risk analysis that has been undertaken, these will provide flexibility and assist the PCC with setting the budget. The scenarios include a precept freeze, precept increases and grant reductions. The implications of each scenario on the force's

savings requirement have been calculated as well as considering how those savings might be made.

You are briefing prospective candidates to keep them aware of the current financial position, the policing model it supports and medium to long term pressures.

### **Workforce and service impact**

You described your current workforce plans which are progressing as planned, including an increase in frontline supervisors. Depending on the views of the incoming PCC, you have already developed models to demonstrate cost and identify any workforce implications. 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 develop collaborative arrangements with Sussex Police as a means of increasing efficiency and effectiveness, as well as reducing costs.

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

You have a small transition budget set aside to take account of any one off costs and the provisional budget for the office of the OPCC is based on the current police authority budget. Your plan for the PCC's first 100 days is developing and you have considered arrangements for how the OPCC will operate when the PCC takes up office. This includes staffing requirements and identified areas where further support might be needed such as assisting with public engagement and commissioning. The key legacy issues are being identified and addressed including the development of a revised scheme of delegation.

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 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.

Arrangements for meeting with the PCP are in place and you have a clear approach for establishing a Joint Audit Committee.

In summary, your budget development process is based on prudent assumptions and takes account of a range of funding scenarios. You have developed proposals for PCC governance arrangements, decision making and accountability. Once in post the PCC will have options to consider and if these should assist them in delivering their statutory functions.

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 on a light blue grid background. The signature reads "Zoë Billingham" in a cursive script.

**Zoë Billingham**  
HM Inspector of Constabulary, Eastern Region

Copied:

Ms Lynne Owens QPM  
Chief Constable – Surrey Police

Mr Clive Davies  
HMIC Liaison Officer