

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

28 September 2012

Mr Khan Juna
Chair – Thames Valley Police Authority

Mr Paul Hammond
Chief Executive – Thames Valley Police Authority

Dear Khan and Paul

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 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 (precept) and grant income.

You have not engaged with prospective PCC candidates individually to brief them on the budget outlook, but you have joint briefing sessions with the force planned for late September which will include budget details. Your finance reports are also published on the authority website. The police and crime panel (PCP) has been established and you have committed to share your draft budget plans and meet with them as necessary.

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. These include scenarios based on different levels of precept increase which may well include a precept freeze. 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. 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 over the next two years, although you acknowledge that once more information on the next comprehensive spending review is available this may change.

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

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

You have set aside a relatively large 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. Arrangements are being made to ensure that the PCC will have the two statutory posts of chief executive officer and chief finance officer.

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 plan for the PCC's first 100 days is in the early stages of development. The authority is compiling a comprehensive valedictory report (legacy document) which records what the authority has achieved and what it believes were the key issues and priorities facing the communities of the Thames Valley and this 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. You are also developing a range of options for how the public will be updated on key decisions.

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.

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 to a PCC.

Yours sincerely

A handwritten signature in black ink that reads "Zoë Billingham". The signature is written in a cursive style with a large 'Z' and 'B'.

Zoë Billingham
HM Inspector of Constabulary, Eastern Region

Copied:

Ms Sara Thornton CBE QPM
Chief Constable – Thames Valley Police

Mr Peter Warner
HMIC Liaison Officer