



The Office of Matthew Grove

Working hard to keep you safe

Mail Room
Force Headquarters
Hull
HU5 5SF
www.humberside-pcc.gov.uk

The Rt Hon Theresa May MP
Home Secretary
2 Marsham Street
London
SW1P 4DF

Contact: Matthew Grove
Tel: 01482 220787
e-mail: pcc@humberside.pnn.police.uk
Our ref: MG/JB/GP/2014

29 August 2014

Dear Home Secretary

HMIC Inspection Report - Responding to Austerity

I am writing to you with my comments on the HMIC report entitled 'Responding to Austerity - Humberside Police'.

I welcome the report and it is reassuring that Humberside Police has been assessed as "good" in this recent inspection, and judged as being able to continue to deliver effective local policing during this period of austerity. I am also pleased that HMIC have recognised the significant progress that has been made in identifying and achieving budget reductions in previous years and in the period to 31 March 2015.

Whilst I have acknowledged that the police service has to make its contribution to restoring the national public finances, the impact locally is very painful. Difficult decisions on resources and funding have been made and there will be even harder ones ahead.

When writing my Police and Crime Plan I recognised just how important it is to ensure that our scarce resources are used in the most efficient and effective way possible and I fully understand that financial stability must be a key consideration at all times.

Whilst clearly HMIC have focused on the Force is also perhaps worth noting that, despite the financial pressures and without requiring the Chief Constable to make additional budget reductions, I have maintained efforts to try to keep upstream of crime. I have continued to fund local community safety partners in the last two years so that they can continue to operate at the same level as they had done previously in assisting to keep our citizens safe.

There are a number of issues raised in the inspection report which I welcome the opportunity to respond to.

Five-Year Financial Forecast

HMIC is concerned that Humberside Police *"has not yet done enough to achieve a secure financial position for the future"*. I would like to point out that, throughout my tenure as Commissioner, I have maintained a very clear medium term financial strategy (MTFS). This includes a robust five-year financial forecast.

It has in the past and will continue to stand us in good stead in the future to ensure that the scale of the challenge continues to be fully recognised. It enables us to quickly model options

so that key decisions can be made in the context of the medium term. In this way, wherever possible, budget reductions can be implemented in a planned and managed way.

I am aware that some others may only have three-year forecasts. As a result they may not be aware of potential 'holes' in their finances further into the future; Humberside Police is fully aware and, through the determined leadership of my Chief Constable, Justine Curran, is taking positive and bold steps to ensure that the budget is balanced over the term of our MTFS.

Since taking up post the Chief Constable has responded to the challenge of having to redesign the Force in light on the requirement for savings of over £30m in addition to those already planned. Her proposals, "Building the Future" (see below), have been thoroughly researched. This initiative will drive the changes required to meet the financial challenges and those contained within my Police and Crime Plan. The HMIC report adds significant impetus to the need to keep a clear focus on this agenda.

The Chief Constable and I both recognise that successful implementation will be critical in delivering services which will keep our communities as safe as we can within the resources available. I intend to make sure that this happens.

Use of Reserves

HMIC raised concerns about the use of reserves being unsustainable. This is to some extent an obvious statement to make and ignores the context. Our MTFS has been transparent on this issue. Reserves have built up over time and we are using them to act as a 'buffer' to manage our financial position over the life of the strategy. This is in our view a legitimate decision and equally importantly a conscious one.

I would specifically like to make the following points:

- (i) The MTFS stresses the one-off nature of reserves;
- (ii) The way in which we are decanting reserves to support the revenue budget is fully recognised; and
- (iii) This approach has been used successfully since 2010 and we will continue to use it in the future with the aim of managing change in a planned way whilst seeking to maintain performance.

I am sure that you recognise that our ability to plan more effectively would be significantly improved if there was greater certainty about the levels of Government funding for more than one year at a time. The importance of this is clear and the HMIC report makes reference to our reliance on central government funding when compared with other PCCs whose can meet a greater share of their spending from the local precept. At this point HMIC should also perhaps have coupled the comment on government support by also making reference to the restrictions on Commissioners and limited flexibility in respect of precept/Council Tax increases.

Cultural Change

I am pleased that HMIC have recognised the rapidly changing culture of the organisation. This is clearly due in no small part to the excellent choice of Chief Constable early on in my term of office. It was a critical for me, on behalf of local residents, to get the right person in place. As indicated above, the Chief Constable has since her appointment carried out a significant and professional review in relation to the 'Building the Future' proposals.

'Building the Future'

Merely doing things the same way but more cheaply is not the right way of doing business. It is clearly unsustainable in the long term. This is why I challenged my new Chief Constable to re-design the force to ensure we could protect the public with the funds we expect to have available, while at the same time maintaining the front-line presence and raising visibility and improving accessibility.

Building the Future has involved a thorough re-evaluation of the way the force operates. It also carries significant risks that I am well aware of. The plans for change are now in place and we are fully aware of the scale of the task in hand.

In April 2015, the Force will go live with the new operating model - moving away from the current 'geographically based' policing arrangements to a once Force model. It will be a more cohesive and effective 'functional' format, allowing the Force to deal with the two main challenges it faces; delivering over another £30m in savings, whilst at the same time seeking to ensure that crime is reduced, the service delivered to the public is maintained and wherever possible improved; and giving the visibility, accessibility and reassurance they require.

Demand Management

The Force has fully recognised that management of demand is critical to the newly developed operating model. Locally, I am working hard on garnering support from our partnerships to enable us to deliver our new model and manage demand. My continued investment in the "and Crime" agenda is key to this but I think it is generally recognised that partnership working is hard particularly with the financial constraints that we are all operating under.

Nationally, I would like to ask the Home Office and other agencies to work together more effectively to address demand issues and to look at how we can all come together and break down the barriers to getting upstream of crime. In my view this is fundamental.

Estates

The HMIC report mentions that the force needs to develop a new estates strategy so that its buildings are used efficiently and meet public access needs. The estates strategy is inextricably linked to the newly developed force operating model. A comprehensive review of the strategy will take place when decisions on the operating model have been taken. It will explicitly cover my specification for contact points for members of the public, taking into account the requirements of the new operating model.

The strategy will incorporate plans to build on the extensive work that has already been undertaken with local authorities and with the Humberside Fire and Rescue Service around

asset rationalisation and joint working. A new facility at Melton, just on the outskirts of Hull and geographically central to the Humberside Police Force and Fire Service areas, includes a state-of-the-art vehicle and equipment maintenance workshop for both organisations. The venture represents true partnership working to deliver more than just a shared workshop but a shared fleet management service. Joint appointments have already been made to senior posts in the structure as the facility moves towards becoming fully operational later this year.

Collaborative Opportunities

Our collaborative efforts can be clearly demonstrated through the ongoing commitments at the Yorkshire and the Humber regional-level. This collaboration which was originally designed to provide cost effective protective services is now, in addition, increasingly being focused on seeking out opportunities for efficiencies and savings.

We are also heavily committed to sharing of services at a sub-Regional level with South Yorkshire Police. We already have shared HR and IS/IT, with Joint Directors in place for each service. In addition you will already be aware of the significant investment that is being made in respect of this collaboration, including expenditure that you have supported with grants from the Innovation Fund in 2013/14 and 2014/15 in respect of mobile technology. We are also investing jointly in the development of an ERP system that will provide a platform for back-office system integration and the use of common processes. My intention is to see this joint working extended further in the future, providing a catalyst for the delivery of more efficiency savings.

I have already referred to my commitments to local partnerships. It is increasingly obvious to me and everyone that the police alone cannot provide the answer to every situation or be held solely responsible for every local problem. Whilst I accept the difficulties, this is something that needs to be highlighted more by HMIC. Almost all public sector services are linked and completely inter-woven as they seek to deliver a comprehensive service to local communities within the Force area. This is a complex landscape. I am working with our partner organisations locally to try to look at issues holistically.

I know that we will all need to take the lead at different times and for different reasons and so I am seeking to encourage overview of activity as a strategic level. It has been recognised that the police clearly retain a 'last resort' emergency portfolio, but I want to see partners increasingly accepting their responsibilities and 'playing their part'. This is another area where improvements at a national level would be of significant benefit.

I am pleased that HMIC have also acknowledged the jointly work with the Fire Service where we are both using same community service volunteers. I know that volunteers are such an extremely valuable resource and this is another area which I want to see further developed building on the increased numbers of volunteers and specials already engaged in supporting our efforts.

Visibility

The work with South Yorkshire around the innovative use of mobile technology is referred to above. It will improve visibility and help to offset the impact of falling staff numbers.

I would like to place on record my personal thanks for the support that you have provided through the Innovation Fund. This will help me to deliver the outcomes identified in my Police and Crime Plan in particular those around visibility and accessibility.

I note the reference to the survey work undertaken by HMIC. I must point out that I have raised concerns elsewhere about the potential for duplication of effort and costs associated with consulting the public. This is an area where I am sure that there is significant room for efficiencies and cost savings if we work together smarter and more closely. I would welcome further dialogue with HMIC and Home Office colleagues on this.

Resource Mix

As 'Building the Future' progresses, our workforce mix will become an increasingly critical issue. Whilst there will inevitably be fewer officers and staff overall, my aim is to see the Chief Constable address the balance of resources out on the streets and visible to the public. In addressing the financial pressures I recognise the need to ensure the front-line is adequately resourced, that we seek to ensure that performance is maintained and that overall resilience is not compromised.

I am pleased that HMIC has recognised my support in implementing a centralised Public Protection Unit. The need for a single process was previously recognised by HMIC when they inspected domestic violence provision. This move locally is a really positive step by my Chief Constable and is already reaping benefits.

Non-Pay Budgets

The HMIC report covered the issue of savings from our non-pay budget. The MTFs is in the process of being updated and this will include consideration of the extent to which further reductions in non-pay budgets can reasonably be included in order to reduce the pressure on pay-budgets wherever possible.

I hope that this information is of use.

Yours sincerely

Matthew Grove
Police and Crime Commissioner for Humberside

cc Roger Baker, HM Inspector of Constabulary ✓