

Cllr Mark Hawthorne MBE  
Gloucestershire County Council  
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Gloucester GL1 2TG

Please ask for: Mr. Paul Trott  
Our Ref: OPCC 2018-16  
Your Ref: MH/SH/mc  
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Email: [paultrott@gloucestershire.police.uk](mailto:paultrott@gloucestershire.police.uk)  
Date: 18 July 2018

Dear Mark,

## **Police Funding**

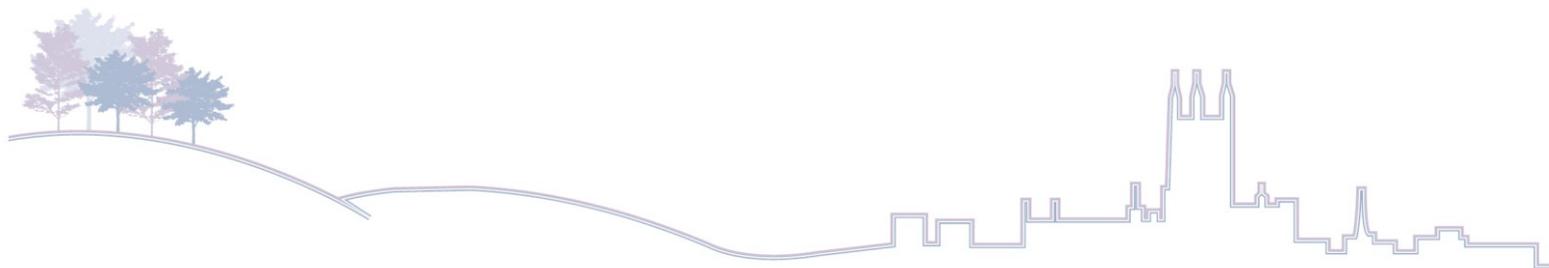
Thank you for your letter of 23 May 2018 which unfortunately I did not receive until 21 June. As previously indicated, it is my view that under the Policing Protocol (*The Policing Protocol Order 2011*) it is for the Panel to scrutinise the PCC's exercise of his statutory functions which includes the legal power to require relevant reports and information in the PCC's possession and for the PCC to attend the Panel to answer questions. Such powers are also set out in the Police Reform and Social Responsibility Act 2011. It therefore appears to me, with due respect to you and the County Council, that the questions posed in your letter ought more properly to have been raised via the Police and Crime Panel. Equally it would be discourteous of me to provide the information requested to the County Council without providing the same information to those members of the Panel who are not County Councillors. This would result in the County Council appearing to scrutinise the PCC, a function that is explicitly the role of the Panel.

You will probably be aware that I therefore decided to share a draft of this letter with the Police and Crime Panel at their meeting on 13 July to ensure that they were aware of your questions and my responses and to have the opportunity to explore the issues you have raised in further detail.

Having reflected on your letter, I would therefore answer the Council's questions as follows:

**Question 1: If [our] plans within the precept rise (5.6%) still include 30 additional officers and staff?**

Response: The Budget Paper presented to the [Police and Crime Panel](#) on 5 February 2018 and published on the County Council's website indicated that if the Council Tax precept were increased as proposed by the PCC then the Constabulary would be able to invest in 23 additional police officers and 7 additional police staff. The



Panel having approved the proposed precept, we understand it remains the Constabulary's intention to recruit those additional officers and staff.

Additional: Please note that this issue was raised and discussed both at the Police and Crime Panel on 5 February and at pre-Panel Budget meeting on 11 January 2018. Please see section 10 of the [budget paper](#) presented at both meetings.

Please also note that the [Police and Crime Panel minutes](#) for the 5 February, record:

*“Some members stated that they could understand the Commissioner choosing the option that allowed for additional funding and they stated that they welcomed the investment in the areas identified.” (4.10)*

*“One member stated that the options put forward for investment were good areas and he welcomed the way the Commissioner's Office had come forward with this, particularly considering the tight timescales involved. He expressed concern at the way in which Central Government had not provided details of funding until a late stage.” (4.15)*

**Question 2: If [we] are lobbying for 'city status' for our urban area to increase central funding and officer numbers?**

Response: We have not been asked to lobby for “city status” and do not understand what this has to do with Home Office funding for the police. Gloucester already enjoys the status of a city and I am not aware of any bids from the other towns or boroughs in the county to change their status.

**Question 3: If nearly 20% of annual expenditure in reserves are necessary?**

Response: The Budget Paper previously referred to explains the PCC's current reserves. During the current financial year a general reserve of £4.955m (equivalent to 4.5% of net revenue expenditure) will be maintained. Earmarked reserves at 31 March 2018 amounted to £16.13m (representing 15% of the budget) which have been set aside to meet various known commitments and planned capital expenditure full details of which were set out in the Budget Paper. Such reserves are therefore considered to be necessary.

Additional: The budget paper presented to the [Police and Crime Panel meeting](#) on 5 February 2018 contained details of the reserves. Further information about how reserves will be used (the [Reserves Strategy](#)) is available via the OPCC website.

We receive expert advice in relation to all financial matters, including the level of reserves from our Chief Finance Officer. The CFO is of the opinion that the level of reserves held by the PCC is not excessive and in line with GCC general reserves which are currently 4.5% of budget (GCC policy is to hold general reserves between 4% and 6% of budget).

By contrast, the earmarked reserves held by the GCC at 31/03/18 are £138m (34% of their budget).

Overall the PCC's reserves are 20% of the budget, as stated to the Police and Crime Panel on 5 February 2018. We note that the GCC reserves represent 38% of its budget.

If capital reserves are included (for receipts and grants) total reserves are 26% of budget for the PCC. The equivalent for GCC would be 59%. Please note that in 2017/18 GCC increased overall its reserves, whilst the PCC reduced his.

Please also note that in your meeting on 18 May 2018, there was comment about £17m capital expenditure over four years which equates to about £4m per year (see question four).

The capital spend for the PCC for 2017/18 was £3.75m. Only 21% of this was funded by capital grant and the capital grant from the Home Office has reduced significantly in recent years. In contrast for 2017/18 GCC had capital expenditure of £96m with £59m of that funded by grant (61%). The significant reduction in capital grant from the Home Office has meant that the PCC has to rely on reserves and the revenue budget to support capital expenditure.

**Question 4: If a £17 million spend on estates over the next 4 years is best value for the public?**

Response: The PCC has no plans to spend £17m on estates over the next four years. The question is therefore fallacious.

Additional: Estate matters have been included as a specific area of business in the Chief Executive's Report to the Police and Crime Panel on the following occasions:

- [16/03/18](#)
- [05/02/18](#)
- [08/11/17](#)
- [08/09/17](#)
- [14/07/17](#)
- [14/03/17](#)
- [03/02/17](#)
- [07/11/16](#)
- [20/09/16](#)
- [18/07/16](#)

The reports to the Panel even include updates and notifications of no activity which provides members with an opportunity to scrutinise estate related OPCC activity even when there are no new developments to report.

From the list above, estate was mentioned in the following minutes:

- [14/03/17](#) (9.18)
- [07/11/16](#) (37.2)
- [18/07/16](#) (17.6)

The lack of comment noted could suggest that the management of estate is not an area of any great concern for the Police and Crime Panel and that the update reports have been sufficient.

Should more information about the financing of the Estates Strategy be required, please refer to the 2018/19 budget paper presented to the [Police and Crime Panel](#) on 5 February 2018.

**Question 5: The Commissioner's fund is a little over £1 million per annum but at 31 March 2018 had a carry forward of £1.5 million. Is this a good use of public money?**

**Response:** The annual accounts show a carry forward of £1.5m in respect of the Commissioner's Fund because the PCC has made a commitment to support a number of projects for more than one year and the figure represents the funding set aside for these projects and the Priorities Fund which is retained to support the six priorities in the Police and Crime Plan throughout the period of the Plan (2017-2021).

**Additional:** In 2016, the OPCC commissioned a review of the Commissioner's Fund which was carried out by [City Forum](#). Below are extracts from their final report *The Commissioner's Fund – An evaluation*

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*The fund was set up with money from police reserves at a time when funding for community projects was being drastically cut by local authorities, central government and national charitable organisations. Without the fund many community projects, providing essential services to vulnerable individuals, would have stopped.*

*In HMIC's ... PEEL inspection on police efficiency, it is worth noting that Gloucestershire Constabulary was not only awarded 'outstanding' under sustainability of the force's financial position over the short and long term, but notably the Chief Constable and PCC were also commended for their innovative, forward-thinking approach to partnership working and in providing support to community projects with the objective of reducing demand.*

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*Nearly all the projects supported by the Fund use volunteers in delivering their services to the community...who give their time to make Gloucestershire a safer, better place to live.*

*From only 47 [of the] projects, a total of 72,489 volunteer hours have been harnessed. The economic value of this can be equated to approximately £901,038, using a median hourly earning rate of £12.43 per hour from the ONS annual survey of hours and earnings. If the data was available from all the projects, the figure would be significantly higher.*

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*The potential return-on-investment from using volunteers to support the delivering of appropriate policing services is considerable, not only in reducing demand on police time, but in providing a better service for the community.*

A further evaluation of the Fund will be carried out in the next 12 months.

The *iESE* Public Service Transformation Awards celebrates the best in local public services. Awards are given for those transformations in public services

that can demonstrate true innovation and have delivered the biggest improvement for the lives of residents and local businesses.

As reported to the [Police and Crime Panel](#) in the Chief Executive's report on 16 March 2018, the Commissioner's Fund received the gold award and was named Police Service of the Year 2018. The OPCC also received a bronze award in the section for community engagement. The *iESE Awards* are open to any public body in the UK and their partners in the voluntary, community and private sector. There were more than 600 nominations in 10 categories.

**Question 6: Is £300,000 spent on police horses a necessary cost?**

Response: The arguments for and against expenditure on Gloucestershire Constabulary's police horses have been discussed by the Panel on [11 March 2016](#), [3 February 2017](#), [14 July 2017](#) and [18 December 2017](#) and I would respectfully refer you to the minutes of those meetings.

Additional: The cost of £300k includes the cost of police officers. The budget for staff and non-pay costs is £150k. The police officers in the mounted section are part of the agreed budget establishment. The officers have been transferred to this section and there has been no growth in officer numbers. The additional costs to the organisation are therefore £150k per year, and not £300k per year. The trial showed there are significant benefits from having a mounted section.

Discussion about the mounted section at the Police and Crime Panel can be found in the following papers:

- [18/12/17](#): CC Confirmatory Hearing printed minutes (38.12)
- [14/07/17](#): Printed minutes (20.2, 20.3)
- [03/02/17](#): Medium Term Financial Strategy 2017/18 (11.7) and Printed minutes (5.14)
- [11/03/16](#): Chief Executive's Report: 5 Mounted Capability trial (5.1, 5.2, 5.3) and Printed minutes (8.4)

In addition to the discussions listed above, the OPCC have facilitated meetings with Councillor Patrick (member of the Police and Crime Panel) with the Project Lead for the Mounted Section in September 2017. This followed the provision of requested data in relation to costs associated with the Mounted Section requested by Cllr Patrick. It is not clear whether any formal feedback was provided to the Panel by Cllr Patrick.

Chief Constable Hansen was also asked to attend the Panel meeting in [February 2018](#) to allow Panel Members to question the Chief Constable directly about the Mounted Section following statements made in the press by the Panel Chair. No questions or issues were raised.

A summary of the research findings underpinning the mounted trial can be found [here](#) if required. This research shows that the primary value of mounted police lies in their work at neighbourhood level and in support of Neighbourhood

Policing. In addition though, mounted police increase visibility and generate substantially higher levels of engagement with members of the public than equivalent levels of foot patrol. On top of this value, they also offer the ability to provide heightened response to crowd situations, and can intervene in disorderly crowds in ways that generate compliance more quickly than other options such as police on foot or in vehicles.

**Question 7: Is the new cost of £45,000 per annum from appointing a Deputy Police and Crime Commissioner appropriate?**

Response: The Commissioner's appointment of a Deputy was confirmed by the Panel on [9 September 2016](#). It is not therefore a "new cost". His appointment was in accordance with the relevant legislation and his salary was determined by reference to similar appointments in other areas.

Additional: Please note that following the DPCC's confirmation hearing on [9 September 2016](#), following debate, the minutes recorded that:

*Some members expressed their view that a Deputy role would be a good thing and that they welcomed the appointment. (21.20)*

Please also note that at the [Police and Crime Panel](#) on 5 February 2018, the DPCC provided detail of his role and recent activity. This prompted no debate or further questions.

Analysis of Deputy Police and Crime Commissioner salaries from across the UK shows that the average wage for a DPCC is £52,888.96 p/a. This is based on information available relating to 24 previous and current DPCCs. The average salary for DPCCs is therefore £7,888.96 higher than that received by Mr Brierley.

**Question 8: What is the Chief Constable's plan to address the rise in crime?**

Response: This question is too vague to be satisfactorily answered. The Chief Constable's plan for addressing any increase is in any event a matter for the Chief Constable, not this office.

Additional: The Chief Constable commissions a *Strategic Overview of Recorded Crime* which identifies the risk areas for the Constabulary and places crime trends in context both nationally and locally. The document is not for wider publication due to the sensitivity of information contained within it but is available to the OPCC for Holding to Account purposes.

Topic areas within the document include:

- Acquisitive Crime
  - Theft
  - Vehicle Offences
  - Burglary
  - Robbery
- Violent Crime
- Modern Day Slavery and Human Trafficking
- Sexual Offences
  - Sexual Offences Summary
  - Child Sexual Exploitation
- Other

- Violent Crime Summary
- Violence without Injury
- Knife crime
- Stalking & Harassment
- Firearms
- County Lines
- OCGs
- Fraud
- MISPERs
- Domestic Abuse
- Public Order Offences

For each risk area, the Constabulary Leads will develop plans and operational orders. Requests for further information would have to be made directly to the Chief Constable.

**Question 9: How much was spent on the Commissioner's plan to take over the fire and rescue service?**

**Response:** The outcome of the work undertaken by consultants who were engaged to assess the benefits or otherwise of the transfer of the oversight of the Fire and Rescue Service from the Council to the Commissioner was presented to the Panel at its meeting on 8 September 2017 when a discussion took place concerning the consultants' report and the Commissioner's subsequent decision not to seek a change in governance of the Service. The total cost of the work undertaken was £141,000 of which £93,000 was met by a grant from the Home Office.

**Additional:** The Policing and Crime Act 2017 places a responsibility on Police and Crime Commissioners to explore the case for a change in Fire & Rescue governance in their areas. It does not talk about PCC's 'taking over' F&R services. This narrative is misleading and not representative of the facts.

Any case for change should be based on the following factors:

- Economy
- Efficiency
- Effectiveness
- Public safety

Under all four headings, the analysis in Gloucestershire showed benefits could be realised should there be a change in governance. At the time the analysis was published however, the PCC decided that due to the political hostility primarily from GCC, it was in the public interest to pause further exploration into governance change and to try to enhance collaboration via other means.

The Home Office made it very clear to PCCs that there was an expectation for Commissioners to lead this agenda. As such, funding was made available for OPCCs to commission the necessary analysis. Gloucestershire, along with seven other areas was in receipt of this funding. Those other areas were:

- Cambridgeshire\*
- Essex\*
- Hertfordshire
- Northamptonshire\*
- North Yorkshire\*
- Staffordshire \*
- Sussex

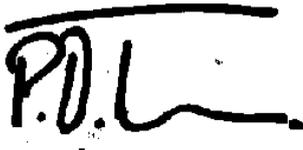
\* The areas indicated have proceeded with and achieved a change in governance. In addition to the list above the PCCs for West Mercia, Suffolk, Surrey, Hampshire and Lancashire have also developed business cases using their own funds.

Commissioning of the research in Gloucestershire was carried out by the South West Police Procurement Department (SWPPD). Ideally, the analysis would have been carried out in conjunction with GCC as the report could have been supportive of the current governance arrangements. This would have undoubtedly been achieved at a lower cost than £166k (£141k for the OPCC and £25k for the GCC research).

The fire governance agenda was also regularly reported at the Police and Crime Panel via the Chief Executive's report ([03/02/18](#) section 5, [14/03/17](#) section 6, [14/07/17](#) section 5, [08/09/17](#) section 7, [08/11/18](#) section 8).

I trust this answers the Council's questions.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'P.D.L.' with a horizontal line above it and a flourish at the end.

Paul D. Trott, Solicitor  
Chief Executive