

M O P A C

MAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

**Report to the
Police and Crime Committee**

**Wednesday, 29 March 2017
10am
City Hall**

**Sophie Linden
Deputy Mayor for Policing and Crime**

1. INTRODUCTION

This report is provided to the Police and Crime Committee (PCC) for its 29 March 2017 meeting to assist the Committee to exercise its function in scrutinising and supporting the Mayor's Office for Policing And Crime (MOPAC) and to hold it to account.

This report covers the period from **11 February to 10 March 2017**.

In addition to the range of regular meetings and briefings with key stakeholders including senior MPS officers, below are the main activities I have been involved in and/or where MOPAC has been represented.

2. MOPAC ACTIVITY REPORT

2.1 Police and Crime Plan (PCP) consultation

Over the last month, I have continued with my consultation and engagement on the draft Police and Crime Plan. In addition to the meetings listed in this report, I have now met with all 32 London Borough Chief Executives, Leaders and Commanders. We discussed the draft Police and Crime Plan, London Crime Prevention Fund, policing priorities and the Borough Command Units (BCU) implications for their respective boroughs.

I also met with representatives from the following organisations:

- Middlesex University
- Association of Charitable Foundations Criminal Justice Funders Group
- London Funders
- Women as Victims
- Mental Health Groups
- Youth Big Talk, Lambeth Academy
- St Paul's Academy, Abbey Wood – Citizens UK

These sessions have been both informative and insightful, and have identified some key issues for consideration in the development of the Police and Crime Plan.

2.1.1 VCS PCP Consultation

On 13 February, I held a Voluntary and Community Sector (VCS) Roundtable which brought together a wide range of VCS Organisations to share their views on the draft police and crime plan, and to discuss how we can work better together in London to drive further reductions in reoffending and support victims.

2.1.2 Focus Group with Young Review IAG

On 13 February, I held a Focus Group with the Young Review Independent Advisory Group (IAG) for views to be shared on the draft police and crime plan, and to explore how we can work better together in London to tackle the disproportional representation of Black And Minority Ethnic (BAME) communities in London's criminal justice system.

2.2 Volunteer Police Cadet Annual Awards

- On the 11 February, I attended the Volunteer Police Cadet Annual Awards. The event celebrated the achievements of cadets and the staff that guide them. A range of awards will be presented including contribution to Neighbourhood Policing, Cadet of the Year and Best New Recruit.
- On the 8 March, I attended a Volunteer Police Cadet meeting in Greenwich. This was an opportunity to see the regular activity of the cadets first hand. I was also interviewed by cadets as part of their programme around International Women's Day

2.3 Visit to Ben Kinsella Trust Exhibition 14 February

On the 14 February, I attended the Ben Kinsella exhibition and met with the parents of Ben Kinsella, who was murdered on 28 June 2008 in Islington while celebrating the end of his GCSE exams with friends. The purpose of the visit was to engage on the subject of prevention and early intervention in relation to Knife Crime.

2.4 Keith Humphreys - AAMR

On 14 February, I met with Keith Humphreys, Professor and the Section Director for Mental Health Policy of the Department of Psychiatry and Behavioural Sciences at Stanford University. We discussed the Alcohol Abstinence Monitoring Requirement (AAMR) and Sobriety innovation in the United States.

2.5 London CONTEST board

On 16 February, I met with Martin Esom, the Chief Executive, LB Waltham Forest and chair of the London Prevent Board. We discussed Prevent as well as the London CONTEST board. We further discussed the London Prevent Communications Forum which took place on 22 February, at which MOPAC was represented.

2.6 Justice Matters - Offender Management

On 27 February 2017, I chaired a Justice Matters Round Table on Offender Management and was joined with colleagues across the Criminal Justice System. The first part of the meeting focused on the report from Her Majesty Inspector of Prisons (HMIP) into the effectiveness of probation services in North London and an analysis of current data. The discussion widened thereafter to provide a useful perspective on the management of offenders from most aspects and sectors including that of a former service user who joined us in the discussion.

2.7 London Councils/MOPAC Engagement Meeting

On 28 February, I attended a London Council Members Group chaired by Lib Peck, the Executive Member for Crime and Public Protection, to consult with London boroughs on the co-commissioning element of the London Crime Prevention Fund (LCPF). We discussed the opportunities of the fund, potential funding principles, criteria, eligibility and governance arrangements.

2.8 Youth Big Talk, Lambeth Academy 28 February

On 28 February, I participated in an interactive youth engagement event at a School in Beckenham, Lewisham. There were over 120 pupils and adults in attendance, and the purpose was to engage and hear the views of young people, service providers and practitioners on the cause and impact of knife crime and what more could be done to address the issue. Steve O'Connell AM was also in attendance.

2.9 Institute for Global City Policing

On 3 March, I attended the annual Governance Board for the Institute for Global City Policing, alongside University College London (UCL) and the MPS, where the annual report and funding strategy were agreed.

2.10 Lord Ramsbotham and Graham Robb

On 6 March, I met with Lord Ramsbotham and Graham Robb. We discussed the development of the Campus school in London, which will be a free school for young people up to age 18 subject to a court order. We also discussed the draft Police and Crime Plan.

2.12 National Neighbourhood Watch Network

On 8 March, I met with representatives of the National Neighbourhood Watch Network for England & Wales (NNWN) who presented their vision of a Nationwide support network for neighbourhood watches.

3. PERFORMANCE

Police data is now fully updated on the London data store. In addition, more police and crime data and information and interactive dashboards can be found at:

<https://www.london.gov.uk/what-we-do/mayors-office-policing-and-crime-mopac/data-and-research>.

An overview of key crime types are below.

MPS		Recorded Crime			
		Mar - Feb	2015-16	2016-17	% change
TNO	Total Notifiable Offences (TNO)		741,642	765,274	3.2%
	TNO Victim Based		673,887	698,547	3.7%
VAP	Violence Against the Person		225,420	235,128	4.3%
	Homicide		108	107	-0.9%
	Youth Homicide		19	23	21.1%
	VWI		73,745	74,860	1.5%
	Serious Youth Violence		6,234	7,062	13.3%
Domestic Abuse	Domestic Abuse Incidents		148,002	147,767	-0.2%
	Domestic Abuse Notifiable		73,839	74,301	0.6%
	Domestic Abuse VWI		23,754	23,553	-0.8%
Sexual Offences	Rape		5,551	6,322	13.9%
	Other Sexual		10,595	11,187	5.6%
Robbery	Total Robbery		21,722	23,345	7.5%
	Personal Robbery		19,986	21,679	8.5%
	Business Robbery		1,736	1,666	-4.0%
Burglary	Total Burglary		70,235	69,003	-1.8%
	Burglary in a Dwelling		44,288	43,005	-2.9%
	Burglary in Other Buildings		25,947	25,998	0.2%
Theft and Handling	Total Theft Person		34,183	36,595	7.1%
	Theft Taking of MV		22,315	27,232	22.0%
	Theft from MV		49,962	52,776	5.6%
Weapons	Knife Crime		9,823	11,666	18.8%
	Knife Crime With Injury		3,672	4,262	16.1%
	Gun Crime		1,828	2,490	36.2%
	Gun Crime Discharged		228	317	39.0%
Hate Crime	Racist and Religious Hate Crime		14,361	16,941	18.0%
	Faith Hate Crime		1,733	2,048	18.2%
	Anti-Semitic		452	528	16.8%
	Islamophobic		1,089	1,222	12.2%
	Sexual Orientation Hate Crime		1,866	2,002	7.3%
	Transgender Hate		152	202	32.9%
	Disability Hate Crime		326	713	118.7%

		Dec-15	Dec-16	Change
Confidence and Satisfaction	"Good Job" Confidence	67%	69%	2%
	Satisfaction	80%	78%	-2%

		Jan-16	Jan-17	Change	% Change
Workforce	Police Officers	31,677.99	31,019.40	-658.59	-2.08%
	Police Staff	10,157.49	8,743.20	-1,414.29	-13.92%
	PCSOs	1,638.53	1,444.33	-194.20	-11.85%
	MSC (Specials)	3,207.00	2,718.00	-489.00	-15.25%

Financial performance report for Quarter Three 2016/17

A REPORT SUMMARY

1. This is the third full quarterly financial monitoring report for 2016/17 for the MOPAC Group. Taking account of the proposed budget changes and the latest forecasts for savings there is a revenue forecast underspend of £11.8m representing 0.5% of net expenditure. Capital spend is forecast to be £92.2m below budget, representing 32% of the budget.
2. The report:
 - 2.1 Includes proposed revenue movements after the budget was submitted to the GLA including a proposed decreased use of earmarked reserves, and
 - 2.2 Examines the forecast against the financial background in which the budget for the year was set and highlights the risks to delivering the 2016/17 savings to ensure a balanced budget at the year end. For completeness the proposed revenue and capital budget movements are applied in determining the forecast outturn position.
 - 2.3 Capital expenditure for 2016/17 is forecast to be £195m against the current Capital Programme spend of £287m, with a variation of £92m. The forecast underspend has risen by £44m over the last quarter primarily as a result of slippage in projects for Digital Policing (£28m) and PSD (£12m).

B SUPPORTING INFORMATION

Financial performance for 2016/17 - revenue

1. Detailed in Appendix 1 is the Summary Revenue Monitoring Statement for Quarter Three of 2016/17 incorporating the projected outturn for the financial year. A net underspend of £11.8m is forecast for the year against the approved net budget of £2,498m (£3,339m gross budget).
2. For Quarter Three there is an increase in the underspend on police officer pay and police staff pay, which is offset by some short and medium difficulties in achieving planned savings.

Achievement of savings target

3. The MPS has a £126.9m savings target this year. Appendix 2 shows the MPS is confident that £81.4m of the £126.9m savings target for 2016/17 will be delivered in 2016/17. A further £8.8m may not be delivered this year due to timing issues but will be delivered next year. This leaves £36.7m remaining where there is a high risk of non-delivery in this and future years. The two key risk areas include savings in respect of police overtime and Digital Policing.

Other key pressures and inter dependencies

Police officer and staff pay (underspend increased by £5.9m to £63.5m during Quarter Three)

4. The MPS has spent £1,692.3m to date and is currently forecasting an outturn position of £63.5m underspend on police and staff pay against the revised budget, of which £49.5m relates to internally funded posts.
5. The increased underspend for police officer pay reflects the latest workforce modelling performed at the end of December 2016.
6. Through this financial year the majority of the police staff internally funded underspend has been within TP and relates to delays in appointing Dedicated Detention Officers (DDOs) within Met Detention and Forensic Health Care Nurse recruitment as well as vacancies across the Boroughs for Public Access Officers. The other significant gaps are in Local Delivered Support Services (LDSS) Administrators and Communications Officers. Gaps in police staff pay are being partly managed through their other devolved budgets such as supplies and services (as Forensic Medical Officers who are used to provide cover the nurse vacancies) and police officer overtime (as police officers provide cover in Met Detention).
7. The increased underspend reflects further vacancies within Specialist Operations (SO), Territorial Policing and Specialist Crime & Operations partially offset by a small increase in police staff pay in Digital Policing (DP) and Met HQ due to the realignment of the capital programme and delayed capitalisation of police staff costs.

Agency staff

8. It should be noted that the MPS is currently relying on significant numbers of agency staff often costing more than the average cost of a permanent member of staff. The number of interim posts has increased over the last quarter (485 FTE end of September to 507 at the end of December). This trend is expected to increase to the end of the year. There is expected to be growth in Business As Usual (BAU) areas such as LDSS and Vetting and in change roles such as the Portfolio Transformation Office, where there is pressure to utilise agency staff. SO will appointing 150 ex-officer agency workers over the next quarter.
9. Going forward numbers assigned to departmental transformation programmes such as in Finance, Digital Policing (DP) and Commercial are expected to reduce in 2017/18 as staff are either recruited or the changes implemented. There will be a reduction in agency staff numbers in LDSS as permanent staff are recruited but this is not likely to be until March/ April 2017.
10. The People and Training Board are currently reviewing the usage and controls around agency staff, to understand the key drivers and determine how these staff can be reduced in future. A full review of the impact of the IR35 changes announced in the Government's budget 2016. These changes to the taxable benefits of agency staff, which will apply in the public sector from April 2017. This may have a small impact on the numbers above at the end of the fourth quarter as MPS agency staff consider their options and potentially move to the private sector.
11. A plan needs to be developed clearly identifying numbers working on BAU activities from those agency staff required for the change programme. It is recommended that the MPS establish a Gold Group to demonstrate better control across the organisation over agency staff numbers, develop forward plans to allow the numbers to be tracked, variations explained and enable

informed decision making on optimal levels.

Police officer and police staff overtime (overspend increased by £2.2m to £20.9m during Quarter Three)

12. The MPS is forecasting an overspend of £18.6m on police officer overtime and £2.3m on police staff overtime as gaps in police officer and staff numbers are managed in devolved budgets. For instance one of the key reasons for the overspend in police officer and staff overtime relates to the under-strengths within DDOs in Met Detention Custody and within Roads Policing mainly due to Transport for London (TFL) funded operations such as Operation Neon (unlicensed Cab Hire) and additional activity requests from TFL. During the last quarter there were minimal increases in the forecast for police officer overtime. The forecast for police staff overtime however has increased from Quarter Two by £2m which primarily relates to reductions in police staff pay forecasts this quarter in Territorial Policing and cover for vacancies.
13. In controlling police officer overtime the MPS faces particular pressures this year and the overall overtime position is being kept under careful review by the Deputy Commissioner's Overtime Gold Group and by the Assistant Commissioners' Chief Officer Groups (COGs). The last meeting discussed current overtime spends and questioned what the drivers were for overtime costs in each Business Group.

Digital Policing (overspend increased by £6m to £30.3m during Quarter Three)

14. There are particular pressures for the MPS this year relating to the staged process to implement the DP Target Operating Model. There is a high risk that DP will be unable to meet their planned savings target for this year and DP are currently forecasting an overspend of £30.3m in addition to using £24m worth of reserves.
15. On 18 January, a full presentation was prepared for the Management Board Away Day as part of an in-depth review outlining future strategy and budget issues over the next five years. This did not however identify any savings to offset the pressures in 2017/18 to balance the DP revenue budget nor identify any savings for future years. Compensating savings for 2017/18 need to be urgently identified as well as revisiting the financial strategy for future years.

Capital Programme

16. Capital expenditure for the year is forecast at £194.8m against an adjusted 2016/17 programme of £287.0m, with a forecast underspend of £92.2m. Actuals to December 2016 are £118.9m.
17. Further detail including analysis of spend against the new Portfolio Structure can be found in Appendix 3.

Movements on the capital programme

18. On 31 January the Capital Programme for 2016/17 and future years was revised to reflect the revised expenditure forecast and re-profiled receipts and submitted to Oversight Board for DMPC approval.

Appendix 1

Overall revenue position against the updated 2016/17 budget

Table 1 MOPAC Group Summary Revenue Budget Monitoring Statement for Quarter Three of 2016/17

Year to Date Budget £m	Year to Date Actuals £m	Year to Date Variance £m	Cost category	Annual Budget £m	Forecast £m	Variance £m	%
1,365.9	1,342.9	-23.0	Police Officer Pay	1,829.6	1,791.3	-38.3	-2.1%
368.1	349.4	-18.7	Police Staff Pay	490.7	465.5	-25.2	-5.1%
46.5	46.2	-0.2	PCSO Pay	61.1	60.6	-0.4	-0.7%
1,780.4	1,738.5	-41.9	Total Pay	2,381.3	2,317.4	-63.9	-2.7%
54.0	64.3	10.3	Police Officer Overtime	70.5	89.1	18.6	26.4%
15.9	17.6	1.7	Police Staff Overtime	21.2	23.5	2.3	10.8%
0.2	0.1	-0.1	PCSO Overtime	0.3	0.1	-0.2	-66.7%
70.2	82.0	11.8	Total Overtime	92.0	112.7	20.8	22.6%
1,850.6	1,820.5	-30.1	Total Pay & Overtime	2,473.3	2,430.1	-43.2	-1.7%
35.4	35.8	0.5	Employee Related Expenditure	49.0	52.6	3.6	7.3%
131.0	129.6	-1.4	Premises Costs	168.6	168.4	-0.2	-0.1%
42.4	48.4	6.0	Transport Costs	57.1	63.1	6.0	10.5%
339.5	321.2	-18.3	Supplies & Services	483.2	513.5	30.3	6.3%
548.3	535.1	-13.1	Total Running Expenses	757.8	797.5	39.8	5.3%
32.2	35.3	3.1	Capital Financing Costs	43.0	42.9	0.0	0.0%
26.9	24.8	-2.1	Discretionary Pension Costs	35.9	33.5	-2.4	-6.7%
2,458.0	2,415.7	-42.3	Total Gross Expenditure	3,309.9	3,304.1	-5.8	-0.2%
-204.0	-203.3	0.7	Other Income	-273.3	-277.2	-3.9	1.4%
-317.2	-317.0	0.2	Specific Grants	-434.0	-439.6	-5.5	1.3%
-33.4	-22.1	11.3	Transfers to/(from)Reserves	-104.2	-100.8	3.4	-3.3%
1,903.3	1,873.3	-30.0	Total Net Expenditure	2,498.4	2,486.5	-11.8	-0.5%
-1,845.4	-1,847.0	-1.6	Funding (General Grant & Precept)	-2,498.4	-2,498.4	0.0	-
57.9	26.3	-31.6	Overall MPS & MOPAC Total	0.0	-11.8	-11.8	-

Appendix 2**Update on savings delivery**

The table below shows the current position on the deliverability of the £126.9m savings proposal for 2016/17. As at 31 December 2016, the MPS is still confident that £81.4m of the £126.9m savings target will be delivered this financial year (against £84.3m forecast in Quarter 2). A further £8.8m will be delivered in 2017/18 and there is a high risk to delivering £36.7m which includes £26.9m of Digital Policing savings built into the original savings target. The MPS continues to undertake planned management actions to address all the identified risks.

	Planned Saving (£m)	Forecast Saving (£m)	Variation (£m)
Savings with structural delivery problems	-47.0	-10.3	36.7
Savings with timing delivery problems	-24.5	-15.7	8.8
Savings that are forecast to be delivered in full	-55.4	-55.4	0.0
Overall Total – MPS	-126.9	-81.4	45.5

Appendix 3**Capital Programme analysed across new portfolios**

In line with the new MPS One Met Model Portfolio Structure, the capital programme managed by individual departments, has been analysed across 13 portfolios (note not all MPS portfolios have capital budgets). Only the portfolios with capital budgets are listed here.

The table below shows the year to date position and the full year forecasts across the portfolios.

Summary position of spend by Portfolio – December 2016

MPS Portfolio structure	Budget 2016/17 £m	Actuals £m	Forecast £m	Variance £m
Strengthening our Armed Policing Capability	2.2	0.7	3.8	1.6
Creating a Business Support function of the Future	1.1	0	0.2	-0.9
Enhance Digital Policing for 2020	32.1	19.2	27.2	-4.9
Improving Public Access and first contact	3.9	1	4.6	0.7
Optimising Response	19.3	4.5	10	-9.3
Reinforcing HQ, Improving Information Management	2	0	1.2	-0.8
Smarter Working	46.3	6.2	19.8	-26.5
Transforming Investigation and Prosecution	30.5	10.5	24.4	-6.1
CT Policing Change Portfolio	12.6	4.3	14.8	2.2
DP Adjustment	0	0	-6.4	-6.4
	150.0	46.4	99.6	50.4
Delivering Maximum Commercial Efficiency - Fleet	23.2	10.1	17.7	-5.5
Transforming the MPS Estate	113.8	62.4	77.5	-36.3
Total Capital Programme	287.0	118.9	194.8	-92.2

5. CORRESPONDENCE AND MAYOR'S QUESTIONS

MOPAC manages and prioritises all Mayor's questions and correspondence received to ensure that it is meeting its obligation to respond to a high quality and in a timely manner.

5.1 Mayor's Questions (MQs)

Mayor's questions	Total received	Responded to within the GLA agreed timeframe	In percentage terms
May 2016	80	80	100%
June 2016	93	86	92%
July 2016	97	67	69%
July 2016 Plenary session	41	39	95%
August 2016	MQs are not received in the month of August.		
September 2016	186	147	79%
October 2016	106	87	82%
November 2016	100	93	93%
December 2016	123	59	48%
January 2017	75	63	84%
February 2017	117	97	83%

5.2 Correspondence received and responded to within 20 days

Months	Correspondence received	Number responded to within 20 working days	In percentage terms
May 2016	199	189	95%
June 2016	270	236	87%
July 2016	244	201	82%
August 2016	196	189	96%
September 2016	198	188	95%
October 2016	205	194	95%
November 2016	278	240	86%
December 2016	175	150	86%
January 2017	184	161	87%
February 2017	183	148	81%

6 MOPAC BUSINESS AND MEETINGS

In the last month, my office and I have had a range of meetings with key stakeholders and MPS officers in support of the Mayor.

6.1 Regular Meetings with:

- the Mayor and his Team
- the Acting Commissioner
- MPS Senior Officers
- Partners including local authorities, criminal justice agencies, government departments, policing bodies, service providers and community groups.

All meetings are covered in section 2 and 6.1.

6.2 Decisions

The following formal decisions have been made since the last report:

Policing and Crime Decision (PCD) Number	Formal Decisions made
PCD 142	Financial Assistance
PCD 147	Forfeiture Stage 3
PCD 151	Network Tower – BT Contract
PCD 154	First Aid Consumables, Pharmaceuticals and Medical Gases

6.3 Future MOPAC meeting

Date	MOPAC Meeting
6 April	Investment Advisory Board