

Committee(s): Economic Crime Board	Date(s): 14 th September 2012
Subject: National Lead Force: First Quarter Performance Report against Key Performance Indicators 2012/13	Public
Report of: Commissioner of Police Pol 57/12	For Information

Summary

This first report to your Economic Crime Board summarises performance against the National Lead Force (NLF) Key Performance Area (KPA) framework and supporting Key Performance Indicators (KPIs) for the first quarter of 2012-13.

See table below for highlights of end of the first quarter target status:

NLF targets	Comment on progress
KPI 1.1 To increase the volume of suspensions of technological enablers via the NFIB by 30%	NOT MET: First quarter disrupted 154 out of a target of 218. NFIB are confident they will meet the annual target
KPI 1.2 To improve the quality of fraud alerts shared with businesses and public sector organisations by 10%	AWAIT END OF SECOND QUARTER: The base-line used to date is misleading and a new base-line will be ready for the second quarter through the addition of a new question in the Stakeholder survey specifically around fraud alerts. Feedback from fraud alerts disseminated has started but is not of the volume or quality to be of statistical significance
KPI 3.1 . To increase the volume of confiscation orders by 10%	MET: This is above target for the quarter with 18 orders against a target of 8
KPI 3.1 . To increase the volume of cash seizures by 10%	MET: The target for the quarter is 13 with 14 cash seizures made
KPI 3.3 To disrupt at least 25% of OCGs who use fraud as a means of stealing from individuals, businesses and the public sector	UNDER DEVELOPMENT: National measurement framework for OCG disruption is still under development and a local interim system has been introduced; this shows six OCGs being reduced in tiers,- meeting the target - however this method is being refined further to give more assurance of this figure.
KPI 4.1 . To ensure that 85% or more people attending the Fraud Academy courses are satisfied overall with the quality and content of courses attended	MET: Over the first quarter 97% of delegates attending 68 Fraud Academy courses gave a 'satisfied' or 'very satisfied' response
KPI 5.2 To achieve an increase in overall satisfaction level with	AWAIT END OF SECOND QUARTER: This is measured by a bi-annual stakeholder survey therefore

stakeholders	an update will be available at the end of the second quarter
KPI 5.2 To achieve an increase in overall satisfaction level with victims	AWAIT END OF SECOND QUARTER: This is measured by a bi-annual victim survey therefore an update will be available at the end of the second quarter

Recommendation

It is recommended that your Sub Committee receives this report and notes its contents.

Main Report

Background

1. Members will be aware from previous reports to your Grand Committee (Pol 67/11 refers) that the Economic Crime Directorate has developed a new Performance Management Framework consisting of five Key Performance Areas (KPA's) and fifteen supporting Key Performance Indicators (KPI's). This was implemented in April 2012. The National Lead Force has recruited a dedicated team to embed the new reporting arrangements and drive performance management and improvement.
2. A comprehensive performance report is produced on a quarterly basis detailing current performance and providing analysis to support recommendations for improvement. The report informs the Senior Management Team discussion at quarterly performance meetings to ensure all business areas of the directorate are working towards the strategic objectives of the KPA's and to identify opportunities to improve performance or take remedial action.

Current Position

3. This report presents the performance against the KPA's detailing KPI targets and measures for 2012-13. All relevant performance information is contained within the first quarter KPI report – see Appendix A. This report details some of the performance successes and also areas where targets have not been met, which are within the body of this report with explanations.

Performance Successes

KPA 1 - Preventing and reducing the harm caused by Economic Crime:

KPI 1.1 The NFIB have enabled an average disruption value to be placed on bank account suspensions of £8,802; this has led to a total value this quarter of £1,355,508 for this intervention alone. *(See Appendix page 7)*

KPI 1.2 There have been several TV/documentaries broadcast in the period; Channel 4 news re Mandate fraud, BBC You've been Scammed and a BBC series on insurance fraud. This has helped raised the profile of CoLP, highlighting scams and prevention advice. *(See Appendix page 26)*

KPA 2 – Enriching the national Economic Crime threat assessment and intelligence picture:

KPI 2.1, 2.2 & 2.3 The quality of strategic, operational and OCG intelligence disseminated is positively viewed by those surveyed. The business performance team will test that in a wider spectrum of surveying inclusive of the police service, with results available at the end of the second quarter. *(See Appendix pages 10-12)*

KPA 3 – Enriching and disrupting Economic crime at the local, regional and national levels:

KPI 3.1 The volume of cash seizures have exceeded target due to the Financial Investigation Unit working with the force to increase the POCA opportunities. *(See Appendix page 13)*

KPI 3.1 Confiscation orders have exceeded the target evidencing the success of the Asset recovery teams' hard work in relation to targeting criminal finances and removing the benefit from crime *(See Appendix page 13)*

KPI 3.1 The total value of assets recovered is up from £13,240 in the 1st quarter of 2011/12 to £2,328,869.55 in the 1st quarter of 2012/13. This is explained partly through the continuous work focussing on the defendants' criminal lifestyle which has resulted in removing all assets that cannot be explained. *(See Appendix page 14)*

KPA 4 – Raising the standard of Economic Crime prevention and investigation nationally by providing education and awareness to the counter fraud community:

KPI 4.1 Over the first quarter 97% of delegates attending Fraud Academy courses gave a 'satisfied' or 'very satisfied' response regarding the quality of the course undertaken. This is exceeding the target. *(See Appendix page 18)*

KPA 5 – Delivering value and reassurance to our community and partners in industry:

KPI 5.2 The stakeholder survey base-line results show 90% of stakeholders agree that NLF has been successful in increasing awareness of fraud and helping them better protect themselves. *(See Appendix page 21)*

KPI 5.2 The individual victims of fraud survey base-line results show 72% of victims are satisfied overall with the service provided by police in their case. *(See Appendix page 21)*

KPI 5.2 100% of stakeholders surveyed agreed that the NLF is an effective partner in the fight against fraud. 80% of those in the Government category strongly agreeing demonstrating the good work done to promote CoLP as NLF for fraud. *(See Appendix page 22)*

KPI 5.3 Opportunities were seized for additional funding for Cyber Crime and the National Capability Project meaning the percentage of overall funding rose from 67.9% in 2011/12 to 72.7% in 2012/13 (to date). *(See Appendix page 25)*

Performance Challenges

KPA 1 - Preventing and reducing the harm caused by Economic Crime:

KPI 1.1 The NFIB are confident of achieving the annual target for disruption of technological enablers although currently below target at the end of the first quarter. Resources have been put in place to ensure it will be met by year end. *(See Appendix page 6)*

KPI 1.2 The base-line for the quality of fraud alerts is being addressed by the insertion of an additional question in the stakeholder survey which will be available at the end of the second quarter. A ‘survey monkey’ type feedback has been initiated by the NFIB to capture specific feedback from the alerts, however, the volume of return has been disappointing and not statistically significant to allow base-lining. Processes are being put in place to follow up the alerts within the NFIB in order to measure their effectiveness and quality once the stakeholder survey has given a base-line. *(See Appendix page 8)*

KPI 1.3 Increasing victim self-protection and reducing repeat victimisation has been base-lined from an individual victim of fraud perspective through the victim survey question regarding crime prevention advice given. 54% of victims felt the advice given didn't help them better protect themselves against future fraud. In order to tackle this two officers have been appointed victim leads. The devised plan includes liaising with other agencies e.g. LEAs and victim support, to scope how/what prevention advice is given in order to incorporate best practice (such as identifying at what point/s advice is given) then utilising the most appropriate current systems e.g. action fraud within NLF with a view to providing prevention advice for specific fraud categories at the point of crime reporting and beyond. The work arising from the scoping exercise will be cascaded appropriately to include clear communication of agreed new processes. (See Appendix page 9)

KPA 3 – Enriching and disrupting Economic crime at the local, regional and national levels:

KPI 3.2 The total £ value of future fraud disrupted by enforcement cases is less compared to the same period in 2011/12. 20 of the 34 detected cases are IFED cases with relatively low values hence the reduced average rate of fraud loss per day. The migration of crime recording to Know Fraud has reduced crime numbers in Unifi significantly; to reflect the accurate volume of crime, work is on-going to introduce processes to incorporate Know Fraud crimes in future calculations. A reduction in cases is apparent (excluding IFED cases) this could be attributable to staff abstractions around the Queens Jubilee and that 122 suspects/voluntary attendees were on bail awaiting charging advice from CPS/CFG. The Senior Management Team is monitoring this at their monthly performance meeting. (See Appendix page 15)

KPI 3.2 It should also be noted that further research is on-going to define data input values to ensure the data used in the calculation is as accurate as possible. Safeguards are built into the calculation as there is a danger the £ value of future fraud is overstated. (See Appendix page 15)

KPI 3.3 CoLP still awaits the implementation of the National OCG disruption guidelines. A local disruption measurement framework has been developed as an interim measure based upon the movement of OCGs within the response tiers 1 – 3 (1 being the highest response). The implementation of the local framework awaits technical changes to the software used to track OCG movement within the tiers and at present it is impossible to know how OCGs identified in the quarter have moved and therefore been disrupted. At the start of quarter 1 2012/13 two OCGs were categorised as Tier 1 and the end of the

quarter there were no Tier 1 OCGs therefore we claim them as disrupted. There was movement of four further OCGs within the tiers but due to reasons already stated their disruption is more difficult to verify. A new interim process is being implemented to track individual OCG movement. Despite the difficulties quantifying the movement of OCGs within the tiers assurances can be given that enforcement teams are actively engaged in OCG harm reduction. *(See Appendix page 16)*

KPI 3.4 The measure surrounding the quality of investigation and enhancing judicial outcomes is for the Central Fraud Group (CFG)/CPS to quality assure the case files sent to them. Liaison between the CFG and the enforcement teams is ongoing and agreement reached on how this will work in practice. As this has taken longer than expected an alternative solution has been found to base-line the files sent for charging decisions in 2011/12 which will be ready for the second quarter report along with measures for files sent this financial year. Once the CFG solution is in place it will take over as the measure. *(See Appendix page 17)*

KPA 4 – Raising the standard of Economic Crime prevention and investigation nationally by providing education and awareness to the counter fraud community:

KPI 4.1 In relation to the stakeholders that were surveyed by SPA Future Thinking, a limited number had received training development from the Fraud Academy. However, it should be noted that the feedback from the Fraud Academy course attendees was extremely positive. *(See Appendix page 18)*

KPA 5 – Delivering value and reassurance to our community and partners in industry:

KPI 5.1 A Return on Investment (ROI) methodology has been introduced as a descriptive measure to illustrate the value of enforcement and prevention activity. It is recognised the ROI methodology is in its infancy, but engagement with key stakeholders in the public and private sector will facilitate the use of their experience and knowledge in this area to refine our processes. This means that the figure produced as our ROI may well fluctuate as refinement takes place. Currently it is showing a much lower return than last year, this is due to the £ value of future fraud disrupted by enforcement cases being far less than the same time last year – see above for some explanation towards this. If this trend continues consideration will need to be given to increase capacity in the fraud teams. *(See Appendix page 20)*

KPI 5.2 The two overall satisfaction targets are measured through the stakeholder and victim surveys. The results will be reported on at the end of the second quarter. (See Appendix page 21)

KPI 5.2 Leadership on fraud was a key expectation, driving the agenda within forces and providing recommendations to Government. 51% agreed the NLF provides effective fraud leadership to the policing community – there was a high percentage 38% who neither agreed nor disagreed and 11% disagreeing - this needs to be addressed. Some stakeholders acknowledge NLF, especially the NFIB, is a ‘work in progress’ but this will only be accepted for a finite length of time. One solution is the appointment of a stakeholder manager who is producing an engagement strategy including identifying key stakeholders, defining the NLF brand and ensuring a consistent approach to stakeholder management. (See Appendix page 22)

Conclusion

4. Challenging annual targets are in place and ECD are moving towards meeting them, some already exceeding target but others yet to demonstrate the work that is carried out to achieve them. There is a confidence the targets will be met by the end of the year and an acknowledgement there are still many lessons to learn, especially from the surveys.
5. Implementing the new KPA performance framework has been challenging by focussing on quality, prevention and a return on investment rather than on purely quantitative targets. It is still a work in progress with refinements and culture change required to embed more firmly but a belief that this is achievable and will transform the way performance is perceived force-wide.

Background Papers:

- Appendix: NLF Performance Outcomes – 1st Quarter KPI Report, July 2012

Contact:

Kathy Hearn

Performance Manager Economic Crime Directorate

0207 601 6901

Kathy.hearn@cityoflondon.police.uk