

## **PERFORMANCE AND RESOURCE MANAGEMENT SUB (POLICE) COMMITTEE**

**Thursday, 1 February 2018**

**Minutes of the meeting of the Performance and Resource Management Sub (Police) Committee held at the Guildhall EC2 at 10.30 am**

### **Present**

#### **Members:**

Deputy James Thomson (Chairman)	Andrew Lentin (External Member)
Nicholas Bensted-Smith	Kenneth Ludlam (External Member)
Deputy Keith Bottomley	Caroline Mawhood (External Member)
Tijs Broeke	

#### **Officers:**

George Fraser	-	Town Clerk's Department
David Jones	-	Town Clerk's Department
Alex Orme	-	Town Clerk's Department
Caroline Al-Beyerty	-	Deputy Chamberlain
Pat Stothard	-	Head of Internal Audit and Risk Management
Stuart Phoenix	-	City of London Police
Hayley Williams	-	City of London Police

#### **1. APOLOGIES**

Apologies were received from Deputy Doug Barrow and Lucy Sandford.

#### **2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

There were no declarations.

#### **3. MINUTES**

The Sub-Committee considered the minutes from the previous meeting, held on 30 November 2017.

**RESOLVED** – That the minutes be approved.

#### **4. OUTSTANDING REFERENCES**

The Sub-Committee received a report of the Town Clerk that outlined the outstanding actions from previous meetings.

#### **OR4 – Recommendations Checklist**

The Chairman explained that, given the information that was now contained within Appendix 4 of the Internal Audit Update Report, he was satisfied that the changes were sufficient and asked that this Outstanding Reference be marked as complete.

### **OR5 –Sub-Committee Budgetary Scrutiny Meeting**

The Chairman explained to Members that the Deputy Chamberlain, the Assistant Commissioner and the City of London Police Authority met prior to this meeting, on 1 February 2018, to discuss proposed changes to the scrutiny direction of the Sub-Committee.

The Chairman explained that at this meeting it was proposed that, with a sight to more robust financial scrutiny of the City of London Police in accordance with its Terms of Reference, this Sub-Committee would receive all reports of the Commissioner relating to:

- i. Financial Performance & Budgets
- ii. Demand and Value for Money
- iii. Major Programmes/Projects

It was agreed that a reporting schedule be decided by the Chamberlain, Town Clerk and Commissioner. This would ensure that the Performance and Resource Management Sub-Committee is well positioned to inform its Grand Committee on all the above areas, and that sufficient time is available to facilitate a more detailed discussion in each case. (1)

### **OR10 – Public Order Resilience**

The Chairman asked that the Commissioner please circulate to Members the date of the Public Order Open Day taking place at Gravesend when it has been confirmed. (2)

### **OR15 – Licensee Responsibility for CCTV**

The Assistant Commissioner explained that he was satisfied that the links between the CoLP and the Licensing Committee were sufficient, and that there are no problems with applications for CCTV currently. The Chairman confirmed that an additional note had been circulated to Members and that they had received it and agreed that this Outstanding Reference could be marked as complete.

## **5. INTERNAL AUDIT UPDATE REPORT**

The Sub-Committee received a report of the Chamberlain that provided Members with an update of the work of Internal Audit that has been undertaken for the City of London Police since the last report in November 2017.

The Head of Audit and Risk Management explained to Members that the draft report on the 2016-17 planned internal audit programme was currently a work in progress.

The Head of Audit and Risk Management explained that considerations were being given to an audit of the Police Accommodation Strategy, though this was not mentioned within the report. The Chairman asked whether this would create duplication of the programme management audit recommendations in this area. The Head of Audit and Risk Management explained that the programme management audit was slightly different, and that this particular

audit would be looking into the Police Accommodation Strategy in greater detail.

A Member conveyed their approval of the inclusion of the 3-Year City Police Audit Plan Strategy 2018-19 to 2020-21 at Appendix 3 to the report. The Member explained that they were surprised not to see audit areas revisited cyclically over a 3-4 year period to monitor continuous improvement. The Head of Audit and Risk Management explained that they were limited by a set number of audit days to complete their plan, but noted that the plan was flexible. He explained that there was a desire to repeat particular areas, but also a desire to visit new areas that required focus.

A Member asked what the protocol was that assured the implementation of “RED” recommendations. The Head of Audit and Risk Management explained that RED recommendations often involve suggestions that cannot practically be implemented in retrospect, though the aim is for these to act as guidance for future reference. Any actions made in response to these is then measured.

A Member asked if there was a provision for Members to proposed suggestions for new areas of focus. The Head of Audit and Risk Management confirmed that this would be welcomed.

A Member noted that any new areas suggested might displace existing areas, and that the total audit days available was set at 75 days, a reduction from 95 previously. The Member asked how this number was defined, and the Head of Audit and Risk Management explained that this had been agreed with the City of London Police, but that there was no science applied to the number of days allocated and that it was only “correct” in line with Audit and Risk’s own professional experience and perception. The Member also noted that the total days was likely higher than the figure shown when Corporate overheads are taken into account. The Assistant Commissioner confirmed that the Integrity Standards Board looked at such internal issues and did provide some level of scrutiny.

A Member explained that it was somewhat concerning to see that there were those risks marked as “Accepted Risks”. The Chairman explained that it was good to see that a certain level of risk was accepted when deemed correct to do so. However, he noted that it would be beneficial to aid understanding by including a narrative note on why risks have been accepted. The Head of Audit and Risk Management confirmed that mitigating factors would be included in future for clarity. (3)

The Chairman asked for clarification of the Action Fraud/ Know Fraud Monetisation Project referred to for which Members had apparently approved £500,000 to commence work on, as mentioned within the table at row 13 of Appendix 4. The Head of Change Portfolio Office confirmed that she did not have the detailed knowledge of this Programme and would check with Head of ECD back in Force and feed back to Members. (4)

**RESOLVED** – That the report be received.

The Chairman and Members welcomed new external Member Andrew Lentin to the Sub-Committee for his first meeting. Andrew thanked the Chairman for his introduction.

**6. COLP PROGRAMME MANAGEMENT REPORT**

The Sub-Committee received a report of the Chamberlain that detailed the findings of an audit of the programme management of the City of London Police.

The Chairman illustrated his surprise that such a significant number of recommendations had come out of the report, and asked for confirmation that all of them were now being tracked. The Head of Audit and Risk Management confirmed that they were. The Chairman noted that there were plenty of lessons to be learned from the outcome of the audit, and that it was critical to action these. The Head of Change Portfolio Office agreed, noting that the Police Accommodation Strategy was managed by the City Surveyor and therefore required joint working. The Head of Change Portfolio Office explained that the City of London Police were working with an external party on the management of benefits (Recommendation 10 of the report) and would be able to report on this at the end of April.

The Chairman explained that, as referred to earlier, an additional audit taking place to focus on the Police Accommodation Strategy (PAS) should hopefully resolve the associated issues. He also remarked that PAS reports going forward would go to the newly established Capital Buildings Committee. The Chairman confirmed that, in reference to the discussion prior to the Sub-Committee, any major Police project reports should come to the Performance and Resource Management Sub-Committee.

A Member explained that they were very surprised by the contents of the report, noting the significant sums quoted. The Deputy Chamberlain explained that high-level estimates given were for early gateway project reports which then evolved significantly over time following more comprehensive scoping. The Deputy Chamberlain noted that perhaps initial planning needed to be improved to allow for a more realistic or ambitious project scope. The Assistant Commissioner agreed, stating a desire for more honest and accurate estimations going forward. He assured Members that this was now being addressed.

A Member asked why this was marked as an AMBER risk rather than RED. She noted that the original budgets were simply perceived to be unrealistic, and the current budgets more accurate. She stated her concern that the same misconceptions were capable of being made again. The Chairman confirmed that this was seen as a RED risk by the City Corporation. The Deputy Chamberlain confirmed this, and noted that significant work was required to support those working on such large projects.

A Member stated that it was beneficial to recognise where errors have been made, but that he was concerned about incremental approvals of increased

budgets. He stated that it was a familiar trend across the Corporation with various project estimates going to Committee, and asked where accountability lay. The Deputy Chamberlain explained that financial planning is not applied to projects until Gateway 4, so significant changes to estimate sums are not uncommon. A Member stated that the inconsistencies and confusion over budgets and outcome figures needed to be addressed. The Chairman stated that there was now sufficient oversight of the Police Accommodation Strategy going forward with the creation of the Capital Buildings Committee.

A Member suggested that a fundamental capability review of the project and programme management function was necessary. He noted that Programme Management was not included as one of the Corporation's "Top 10 Risks". The Deputy Chamberlain explained that work was underway in this area, and agreed to follow up with the Town Clerk to feed back on progress of the capability work surrounding Corporate programme management. (5)

**RESOLVED** – That the report be received.

## 7. **PROJECTS AND PROGRAMMES PRESENTATION**

The Sub-Committee heard a presentation from the Head of Change Portfolio Office and the Assistant Commissioner that provided Members with an overview of the City of London Police Projects and Programmes portfolio.

The Head of Change Portfolio Office explained that a Digital Programme Board had been set up. She continued to summarise the main areas of work, including the Emergency Services Mobile Communications Programme (ESMCP) and the Secure City Programme. The Assistant Commissioner explained that a lot of work had been done to scope the Joint Command Control Room (JCCR), but that technology was advancing so quickly in this area that accurate estimates were very challenging. The Chairman noted that at the recent meeting of the Police Committee estimates presented ranged from £10-20m for the suite of projects included in the Secure City Programme, and stated that these were very important projects.

The Head of Change Portfolio Office explained that dependencies for the Ring-of-Steel Project were a crucial element governing strategy that could not be understated. The Chairman noted that the audit report found that project management of this project required improvement in a number of areas and he asked for assurance that these issues were now being addressed. The Head of Change Portfolio Office confirmed that they were part of the action plan.

The Head of Change Portfolio Office explained that the Police Accommodation Programme had suffered with challenges centring primarily around timing. The Assistant Commissioner noted that the JCCR was reliant on other areas in order to progress. A Member noted that a Corporate policy was to "buy rather than to build", and asked if this was a feasible option for the JCCR. The Assistant Commissioner explained that there was some ability to source technology with bespoke designs. He explained that some other forces had taken the option of designing their own, and were seeing efficiencies as a result.

The Assistant Commissioner explained that the Economic Crime Victim Care Unit (ECVCU) formed part of the CoLP's "National Lead Force" responsibility and as such has additional funding.

The Assistant Commissioner summarised the work relating to Action Fraud, reporting that it would enable significant efficiencies and a possible monetisation opportunity. The Deputy Chamberlain noted that the monetisation element was regarded as a risk. The Chairman remarked that there had been a significant overspend on this project.

The Assistant Commissioner explained that Police telephony had significant issues affecting the processing of complaints and recording of calls, but there was currently discussion with the IT department to resolve these.

The Head of Change Portfolio Office explained whilst there were clear challenges regarding resources, there was also a requirement to recognise that due to the location the market for recruitment was buoyant, and therefore the cost of change would be high.

A Member explained that significant agenda time should be allocated to this going forward so that the most significant areas of concern are raised.

**RESOLVED** – That the Commissioner be heard.

8. **CITY OF LONDON APPROACH TO PROJECT MANAGEMENT**

The Sub-Committee heard a report of the Town Clerk that provided Members with an update on the work done to improve project management procedures and practice across the City of London Corporation.

The Town Clerk explained that small projects contained within a single department were perceived to be effectively run, whilst larger projects requiring cross-departmental working containing multiple dependencies suffered due to a siloed working culture. These larger projects also tended to be carried out over longer terms, and as such suffered from confusion over gateway progression. He explained that work was being done to update dashboards in order to improve clarity in this regard. The Town Clerk explained that the presentation of figures to Members in Committee was also an area of focus. The Town Clerk also noted that activity was underway to update the training resources and courses available to Project Managers within the City of London.

**RESOLVED** – That the Town Clerk be heard.

9. **Q3 PERFORMANCE VS MEASURES**

The Sub-Committee received a report that summarised the performance of the City of London Police against the measures set out in the Policing Plan 2017-20 for the period 1 April 2017 – 31 December 2017.

The Assistant Commissioner explained that the number of crimes in the City of London had been rising, and that this rise was attributable largely to theft,

particularly with the use of mopeds. The significant rise of these crimes has offset any improvements seen in other areas.

Head of Strategic Development explained that the figures presented to the Force Performance Management Group (PMG) differed from the figures brought to this Sub Committee owing to teething problems with Niche, the new Crime and Intelligence reporting system, and clarified that the figures in this report were more accurate.

The Assistant Commissioner updated Members on the developments taking place for each Measure mentioned within the report. The Head of Strategic Development explained that in the case of Measure 11 - *The Percentage of people surveyed who believe the police and the City of London are doing a good or excellent job*, this would remain the same until the next survey is carried out.

The Chairman queried missing data within Measures 6,7,8 and 9. The Head of Strategic Development explained that the CoLP had implemented the new reporting system, Niche, in October 2017, and found that reports were being counted erroneously. This led to crime figures changing from one day to the next. As a result, the decision was made to omit the numbers through a lack of confidence in their accuracy. He assured Members that this issue had now been resolved.

The Chairman asked when Antisocial Behaviour (ASB) figures would be available. The Head of Strategic Development explained that ASB was not a force priority, though a new reporting method was being developed that could provide backdated data. The Head of Governance and Assurance added that he was working with the Force Intelligence Bureau staff to develop these but that they were still not available. He proposed that if this Sub-Committee wanted to request so, then this could be prioritised. The Chairman asked only that a timeframe be attached for receipt of these figures so that the Sub Committee might know when to expect regular reporting of them. (6)

The Risk and Governance Manager explained that the table presenting ASB data incorrectly stated that it provided example figures; he clarified that the figures were sourced from live data.

A Member noted that, in contrast to the Assistant Commissioner's assurances over crime reduction, over a 4-year period the Victim-Based Crime figures appeared to have risen by approximately 17%. The Assistant Commissioner explained that a significant amount of collaborative work and joint-operations were being undertaken with the MPS and BTP, such as Operation Sceptre, to tackle violent crime which has seen a rise nationally.

**RESOLVED** – That the report be received.

10. **HMICFRS UPDATE**

The Sub-committee received a report of the Commissioner of Police that provided Members with an overview of activity undertaken since the last meeting, on 30 November 2017.

The Chairman noted that the overall assessment of the PEEL report had been omitted. The Head of Strategic Development apologised for this error.

The Head of Strategic Development explained that there had been no further reports since the last meeting of the Sub-Committee on 30 November 2017. He explained that the report on *effectiveness* was due to be published in the week commencing 5 February 2018, and that it was hoped that the outcomes would be positive.

The Head of Strategic Development explained that unfortunately the PEEL *legitimacy* report had been downgraded from “good” to “requires improvement”. The Assistant Commissioner added that he was not overly concerned with the areas that had been identified and was confident the Force was addressing these.

The Chairman noted that not all recommendations coming out of HMICFRS inspection reports seemed to be meeting target dates for action. He stated that increased focus needed to be given to stop-and-search training. The Assistant Commissioner explained that the HMICFRS had high standards in this area and good collaborative work was being undertaken currently. A Member noted that Stop-and-Search was a very sensitive issue, and as such, officers should be expected to be highly responsive to developments in this regard. She explained that it was key that the officers approached this with the appropriate attitude. The Chairman requested that a note on what was being actioned with regards to improvements in Stop-and-Search be provided to Members. (7)

The Chairman stated that all the workforce planning observations should be checked off by the CoLP HR department.

A Member asked whether the evolution of HMIC into HMICFRS had affected their capacity to carry out inspections, citing the low number of recent audits. The Head of Strategic Development explained that this was not yet clear, but noted that the HMICFRS had sourced expertise in the area of fire safety services. He also explained that the new format to be adopted by PEEL was not yet clear.

The Chairman asked what action plan had been put in place to address the two items marked as RED regarding a joint inspection of the disclosure of unused material in volume crown court cases. The Head of Strategic Development explained that a joint action plan had been approved by three agencies, and these areas were expected to be given GREEN status ahead of the next meeting.

The Chairman asked if work on the newly RED recommendation regarding the “4Ps” was on track. The Head of Strategic Development explained that this



was given RED status only as its deadline had passed, but assured Members that this would be given GREEN status next time.

**11. HMICFRS 2017 VALUE FOR MONEY PROFILE**

The Sub-Committee received a report of the Commissioner of Police that provided a comparison of relative costs between forces.

The Chairman noted that the staff cost ratio seemed to be acceptable.

The Chairman enquired about the force mapping collaborative work, and the Assistant Commissioner explained that a recent MOPAC meeting had agreed that mapping this out was necessary. He explained that this will now be done as part of the CoLP Transform Programme.

**RESOLVED** – That the report be received.

**12. DEEP DIVE: CR 23 POLICE FUNDING RISK**

The Sub-Committee received a report of the Chamberlain that highlighted funding issues relating to the City of London Police.

The Deputy Chamberlain explained that an underlying funding deficit of £4-5m p.a. needed to be resolved. She explained that the Audit & Risk Management Committee had asked for this to be reassessed in the Medium Term Financial Plan (MTFP). The Deputy Chamberlain explained that there were three resolutions available:

- i. Home Office Funding
- ii. Decision on which services to maintain
- iii. Increase in Premium Rates

The Deputy Chamberlain explained that this risk needed to be framed accurately in order to be resolved. The Assistant Commissioner noted that significant work had been done to balance the budget, and £17m in funding had been supplied by the City Corporation for Capital Projects.

The Chairman explained that the funding challenge has now been recognised and there had been improved collaboration between the Chamberlain's Department and the City of London Police. He also noted that the option to raise the Premium Rate had been raised at Police Committee.

A Member asked how the Demand and Value for Money review had been received. The Assistant Commissioner explained that it had been well received, but noted that some figures were perhaps overly ambitious. He explained that the review had validated many of the findings of the STRA process, but that he did not agree with the high-end savings figures.

A Member noted that the Review's total savings figure resembled that of a "Gateway Zero" inaccurate initial projection, and suggested that the sooner this headline figure was abandoned the sooner progress could be made with

honesty and pragmatism. Members illustrated their agreement with this statement.

A Member asked when these decisions would be made, and the Deputy Chamberlain confirmed that there would be a probe into the savings at the Resource Allocation Sub (Finance) Committee in June 2017, and the autumn would see budgets applied for 2019-20.

A Member stated that it was important to note that the review was not just focusing on *Value for Money*, but also specifically on *Demand*. Members illustrated their agreement with this statement.

**13. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no further questions.

**14. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There was no further business.

**15. EXCLUSION OF THE PUBLIC**

**RESOLVED** – That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Local Government Act.

**16. NON-PUBLIC MINUTES**

The Sub-Committee considered the non-public minutes from the previous meeting, held on 30 November 2017.

**RESOLVED** – That the minutes be approved.

**17. VALUE FOR MONEY UPDATE**

The Sub-Committee received a report of the Commissioner of Police that updated Members on the progress made since the Demand and Value for Money Review since the last update to Police Committee in September 2017.

**RESOLVED** – That the report be received.

**18. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

**19. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE SUB-COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There was no further business.

**The meeting closed at 12.30 pm**

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Chairman

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