

**Budget Monitoring Sub-Committee – 24 March 2015****Transcript of Item 5 – Quarter 3, 2014/15 GLA Group Monitoring Reports**

**John Biggs AM (Chairman):** We move into the exciting stuff then which is Greater London Authority (GLA) Group Monitoring Reports, 380 pages of them. We have decided to pick on the Metropolitan Police Service (MPS) this month. Welcome to Craig Mackey, Lynda McMullan and Camilla Black. Camilla is here from the Mayor's Office for Policing and Crime (MOPAC) and the rest of you from the MPS. You are here to keep an eye on them and we are here to keep an eye on you keeping an eye on them.

**Camilla Black (Interim Director of Police Resources, MOPAC):** Yes, it is oversight, is it not?

**John Biggs AM (Chairman):** Yes, oversight.

**Craig Mackey QPM (Deputy Commissioner, MPS):** At least we are well supervised.

**John Biggs AM (Chairman):** As you can see, we are in good humour this afternoon, so let us start the ball rolling. We have your third quarter revenue figures and they tell us that there are problems with your running costs on staffing. Who do we start with? I do not mind really. Why are you forecasting an overspend on police staff pay?

**Lynda McMullan (Director, Commercial & Finance, MPS):** Do you want me to kick off? In period nine we were forecasting an overspend of just over £10 million. That has come down slightly in our latest monitoring forecast to about £9.7 million, which is not a huge difference. The reason for this: we did set the budget on an average of about 12,200 full-time equivalents (FTEs) and we can provide you with backup to the figures.

During the last financial year, although the number that we have been employing has come down quite substantially, and the MPS staff FTEs forecast for this month are about 11,372, we have been using a lot of agency staff and that is really for a number of reasons. As we are going through some of the transition that we are going through we have needed to employ additional agency staff to see us through. Equally, as vacancies have come up it does not make any sense where we are in our transition to employ permanent people, so we have been using agency as well.

A lot of that is within the digital policing (DP) area. I think one of the things that this Sub-Committee have asked us to come back and talk about in a bit more detail in terms of strategy in June/July is around the whole DP area, but we have been doing a lot of work to drive that down in recent months, which we are seeing a difference in.

One of the things that we have been looking at quite carefully is that balance between what our permanent and agency staff has been over the last year. In terms of the percentage of staff it's about 3.8%, so we have done a bit of benchmarking of other large organisations just to see if that is average. It is, so we are quite comfortable in terms of our strategy, but what we absolutely need to do in terms of the new year, to get this under control, one of the things that we are doing from 1 April is devolving these budgets out to business. A lot of those decisions where those balances are made between transition and filling posts with agency staff and employing agency staff for some of those change roles are much more focussed and there is a much clearer business case for doing it.

Looking ahead, while we want to delegate it out, at the same time we want to make sure that there is a much clearer business case for doing it.

**John Biggs AM (Chairman):** There is another part of this which is the pay award, which is unfunded in part.

**Lynda McMullan (Director, Commercial & Finance, MPS):** Yes.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes, we went for a mix of consolidated and unconsolidated part of the pay awards, so that put about £4 million of pressure in, but it actually reduces the future years' costs to us.

**John Biggs AM (Chairman):** When you unpackaged the £10 million projected overspend at present, to what extent is that agency and to what extent is that unbudgeted pay? Have you made further savings on pay, so it is essentially agency?

**Lynda McMullan (Director, Commercial & Finance, MPS):** On average, and these are average numbers, we did set the budget on an average of 12,200 FTEs. In terms of MPS staff we have now brought those permanent numbers of staff down that we are forecasting this month to 11,370, roughly.

**John Biggs AM (Chairman):** 11,370?

**Lynda McMullan (Director, Commercial & Finance, MPS):** Yes.

**John Biggs AM (Chairman):** You budgeted 12,200 and you actually got down to 11,370. Is that right?

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**Lynda McMullan (Director, Commercial & Finance, MPS):** These are averages.

**John Biggs AM (Chairman):** You can more than easily absorb that budget pressure on pay costs?

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**John Biggs AM (Chairman):** Indeed you have a little leg room, so the temporary overspend is actually something like, I don't know, £20 million plus of agency staff?

**Lynda McMullan (Director, Commercial & Finance, MPS):** It is about £20 million agency staff, so your maths is very good.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**John Biggs AM (Chairman):** Good. I did not know that, just included the bluff though. £20 million extra on agency staff. You said in particular there were staff in information technology (IT)?

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes, digital.

**John Biggs AM (Chairman):** IT contract staff can be quite expensive.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Very expensive.

**John Biggs AM (Chairman):** £1,000 a day, or whatever.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**John Biggs AM (Chairman):** We are going to come to IT a bit later on. You believe then you have the right structure, because obviously there are all sorts of reasons for getting agency staff. It could be that you have specialist needs for specialist things. It could be that you have lost too many people by accident, you have restructured in the wrong way, let the wrong people go. It could be that you have a wrong structure that does not really work, so you cost your budget on having 28 personnel staff and the amount of work requires 35 of them so you have to bring them back in again. Obviously there will be some teething issues, but are you confident with your structures?

**Lynda McMullan (Director, Commercial & Finance, MPS):** I am not sure we have done the last point that you made, that we have brought people back in. One of the things that we are doing is when posts become vacant we are very cautious about filling them at all. Because if we then have to move into more difficult stretching times, which we are all expecting over the next Comprehensive Spending Review (CSR), we do not want to have that unnecessary cost, so we are just quite cautious about that.

**John Biggs AM (Chairman):** Right. Of course there is another reason why you might be doing this, which is you may have unfilled posts, but because you are going to outsource various functions, as a policy you would not recruit people to fill unfilled posts because the subsequent contractor then would lose some of the freedom in their tendering to fill those posts in different ways. Is that right?

**Lynda McMullan (Director, Commercial & Finance, MPS):** I think the general point is right. We are obviously going through discussions, particularly around business support services, which we cannot go into too much detail about here, but again we are cautious about filling posts, because if we fill them and we have to TUPE (Transfer of Undertakings (Protection of Employment)), that just builds costs into the longer term.

**John Biggs AM (Chairman):** In those sections which you are planning to outsource you would tend to not fill vacancies. Yes?

**Lynda McMullan (Director, Commercial & Finance, MPS):** We would look at it carefully.

**John Biggs AM (Chairman):** You have a sort of star chamber on those?

**Lynda McMullan (Director, Commercial & Finance, MPS):** That is right.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Star chamber for both police staff and police officers.

**John Biggs AM (Chairman):** Police officers as well?

**Craig Mackey QPM (Deputy Commissioner, MPS):** Postings, so where you put the pressure in the posting system.

**John Biggs AM (Chairman):** Can you explain that? If I have a --

**Craig Mackey QPM (Deputy Commissioner, MPS):** If you want 200 extra detectives for something and Lynda [McMullan] has them all on borough, we can't just strip them out of the borough so we do a star chamber to manage demand across both sides of the business.

**John Biggs AM (Chairman):** All right.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Within the headcount of 31,957, but clearly the mix does not always stay the same, so we run a star chamber for both.

**John Biggs AM (Chairman):** If we say, "Detective Sergeant (DS) Bloggs, you do not really need 38 detectives, you can get by with 33".

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes. Look at where the demand is and where the pressure is. You have to.

**John Biggs AM (Chairman):** Is there a DS Bloggs, by the way?

**Craig Mackey QPM (Deputy Commissioner, MPS):** I am not sure about DS Bloggs, there will be the equivalent somewhere.

**John Biggs AM (Chairman):** OK, right. There is a focus on frontline, which we are going to come to a bit later on. Are agency staff *per se* a bad thing then?

**Lynda McMullan (Director, Commercial & Finance, MPS):** We do not think so.

**John Biggs AM (Chairman):** Apart from the bad ones, I suppose.

**Lynda McMullan (Director, Commercial & Finance, MPS):** One of the things we need to be better at, as I said before, is when we delegate budgets down we need to be very clear with bits of the business, that we are really clear about their business case and the rationale for doing it. We just have to be a bit tighter on that. We have got the principle right, we just have to put a little bit more control in.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Just, if I may, on a your general point, and you touched on it with IT: although there are other parts of the business it is increasingly a challenge, and it cannot be just for policing, across the public sector, for some skill sets we are not competitive. For high-end skill sets we are not competitive. Just pretending you do not need those skills, the only way of doing that is increasing on agency or temporary rates.

**James Cleverly AM:** Taking that further, with this particular overspend on police staff. As things like cybercrime and these very fast evolving crime types [increase] it is going to be difficult for any force or any constabulary to train up its specialists quick enough to keep up with this kind of stuff. Might that mean there needs to be a bit of a re-evaluation of balancing between agency staff?

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**James Cleverly AM:** Also, and I know this is not quite the remit of this Sub-Committee, but the functionality of the agency staff in terms of how close to frontline policing you push them?

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes. You have to look at all those things as you go forward, particularly as you go into the second round of CSR and those pressures increase across things. We touched on the technology stuff. The difficulty of delivering a technology strategy that is sophisticated and innovative when you want to move to agility and mobility is every single organisation in London, around the world, wants those people. They come waving some very big cheque books. You either say, "We are not going to play in that space" and accept you will end up, as a lot of the public sector has, with technology that is five,

ten, or in some cases 15 years behind the curve or you try to play in that space. However, accepting you will not do that, I would argue, with a traditional way of recruiting staff, retaining them and saying, "Congratulations you have joined the MPS and you are going to be with us for 20 years" it just will not happen.

**John Biggs AM (Chairman):** You have to step outside the civil service pay structure.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**John Biggs AM (Chairman):** Well, comrades, do you agree with that?

**James Cleverly AM:** If we take it back a technology generation: if the bank robbers are getting away in motor vehicles and our officers are in horse-drawn carriages, we would regard that as a nonsense. This is where we are now at. Our criminals are operating in a digital space and we either have to accept the fact we are a technology generation behind them or we have to pay the going rate to get people to keep up.

**John Biggs AM (Chairman):** Right. This may be as much to do with support IT systems, so pay and ration systems, or dispatch systems rather than hi-tech IT that finds criminals. The point you make though is --

**James Cleverly AM:** It might be useful, and I do not know how much granularity is advisable, but at a certain point actually the differential between paying very, very high rates for digital specialists in terms of crime fighting, that might need to be separated out from paying for IT specialists just to make sure the pay and rations get through and they are playing a different space.

**John Biggs AM (Chairman):** You are saying 3.8% of your staff are agency. How does that compare to last year?

**Lynda McMullan (Director, Commercial & Finance, MPS):** It is higher than the previous year. I do not have that figure with me but I can calculate it.

**John Biggs AM (Chairman):** Is there anything you want to tell us about the profile of length of service of agency staff. Do they tend to be two weeks and then they are out the door, or seven years?

**Lynda McMullan (Director, Commercial & Finance, MPS):** We have got a mixture. Again that is something we can provide.

**John Biggs AM (Chairman):** In scarcity areas you will have quite long-term agency workers. OK. Shall we move on? We might write to you and ask for those figures.

**Lynda McMullan (Director, Commercial & Finance, MPS):** That is fine.

**Tom Copley AM:** How is the MPS adjusting to operating with fewer buildings and what challenges is this presenting?

**Craig Mackey QPM (Deputy Commissioner, MPS):** Shall I start that off? Remarkably well in terms of adapting to fewer buildings. The challenges are mainly cultural. There are a lot of organisational and cultural issues about moving out of buildings. I do not have the building utilisation figures to hand, but I can get them for you. We looked at them the other day in one of the corporate boards. Even with the moves we have made so far, which as you remember was roughly to try to take a third of the estate out, in terms of where we were, our utilisation of some of our key buildings is still quite small, relative to what you would be used to, either in

the commercial sector or other parts of the public sector, so we still have a lot of estate in terms of doing it. It has started to change the way we are working. We see the next phase probably in terms of business change more challenging, but that links much more with our digital strategy, which is about making officers truly agile and breaking the link with a fixed desktop type environment. That will be the next phase. If we can get that right that is a huge prize.

**Tom Copley AM:** As with here we have far fewer desks than we have people, with a very similar intention.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes. Also, and this is about why landing the technology piece is so important, pushing all your main business systems to you wherever you are in London, but also pushing, and we have not worked this one in detail yet, but how you use the big data that we currently have. I will make it up. You are on a street in Bromley, to let you know that over the last ten years the burglaries have always been at the odd-numbered houses on the left-hand side of the street. That data is all available. How we get that to you and how you use that is the prize.

**Tom Copley AM:** I know John [Biggs] is champing at the bit to ask about technology in a moment.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes. Sorry, back to buildings.

**Tom Copley AM:** That is right. Is the estate strategy delivering the savings that you wanted?

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**Tom Copley AM:** Is it generating the receipts that you expected?

**Craig Mackey QPM (Deputy Commissioner, MPS):** It is generating more receipts in terms of, against profile, where we now anticipate receipts in the region of £950 million, so just under £1 billion, in terms of receipts, across that strategy. If you look at where we have said we will go, we think that by the end of March this year we will have delivered, on estates, about a £38 million reduction in running costs. Some of that was from redesigning one of the facilities management main contracts, and we have gone for a very different model in terms of how we have done that. Also every time you release a building you release everything from rates to costs for heating and lighting, costs for maintenance, so that is going to bring some real savings into our revenue line.

**Tom Copley AM:** You still overspent, have you not, by £11.2 million? Was that the 2013/14? How does that tally with you saying that you are getting the savings that you are expecting?

**Lynda McMullan (Director, Commercial & Finance, MPS):** We are slightly behind on releasing our revenue savings. That is absolutely fair. We will be back on track. The savings have come out slightly slower. As of period nine we were £3.8 million behind.

**Tom Copley AM:** Right. However, you expect to make the savings that you anticipated but on a different timescale?

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**Lynda McMullan (Director, Commercial & Finance, MPS):** The strategy is exactly the same, so we will deliver them. Over the period £59 million was the target for phase one of the estate strategy. We will achieve that. It has been a little bit stickier than we perhaps first thought at the start. Getting people out of buildings,

decanting and into other buildings has just taken slightly longer but we absolutely are going to make these savings and we are talking about next generation savings.

**Tom Copley AM:** You sound very sure of that and we will keep monitoring this.

**Lynda McMullan (Director, Commercial & Finance, MPS):** I am very sure about it.

**Tom Copley AM:** The MPS seems to have adopted a very different strategy from Transport for London (TfL) in terms of what it is doing with its estates. TfL is entering into joint ventures and really sweating its assets, whereas the MPS seem to be engaging in more of a 'fire sale'. It would seem to make sense in terms of raising money in the short term, but actually surely you could achieve more in terms of generating funds for the police in the long term, if you were to adopt a strategy more along the lines of what TfL are doing.

**Lynda McMullan (Director, Commercial & Finance, MPS):** It is not my strategy and so I will not claim credit for it. If I am positive it is not because I think I have done it. One of the clever things that the estate strategy has done is to reinvest in terms of the retained buildings, so putting money back in. If you look at the value of our estates holding it has not plummeted down, so we would not recognise that 'fire sales' analogy, because we are reinvesting money back into estates to retain that foothold in the London property market, and obviously using some of the receipts to invest in the technology that helps us --

**Tom Copley AM:** You say the value of the estate overall has risen, even though it has shrunk?

**Lynda McMullan (Director, Commercial & Finance, MPS):** Yes. I think that --

**Tom Copley AM:** It could have potentially risen by more over the long term if perhaps some of the assets had been sweated.

**Craig Mackey QPM (Deputy Commissioner, MPS):** The capital to do the transformation.

**Lynda McMullan (Director, Commercial & Finance, MPS):** Then we would not have had the capital to invest in the technology and to release some of the revenue savings that we are absolutely going to be dependent on in the next stage of the CSR.

**Craig Mackey QPM (Deputy Commissioner, MPS):** I think that is an important point. I cannot talk about other parts of the public sector, I only know how the Home Office do the money, but one of the things that went very quickly in Home Office funding was capital. Forces used to get a little pot of capital each year. Some Members who were part of the Metropolitan Police Authority (MPA) will remember what it was in terms of it is a very small sum of money, even at £1 billion our current spend rate, that is five years of capital spend. After that there is no capital. That transformation piece is absolutely crucial to how you make a sustainable MPS over five, ten or 15 years. If you did not do that I would suggest, if I looked at where Peter [Hendy, Commissioner of Transport for London] and TfL is, we have to have an income stream of such a size to generate capital to make the investment a transformation that potentially for us that would be a showstopper.

**John Biggs AM (Chairman):** I used to be on the MPA and we used to talk about commercial property and management of the police estate. Do you feel the MPS currently has the right commercial expertise to manage its assets? Having an asset management strategy, is that sufficiently commercial-minded?

**Lynda McMullan (Director, Commercial & Finance, MPS):** If we went back to the conversation we were having about staff, we would never be able to afford the fulltime staff to be those absolute experts because they are paid something way above what we could afford.

**John Biggs AM (Chairman):** You cannot afford to have a competent property function?

**Lynda McMullan (Director, Commercial & Finance, MPS):** That is not what I said. What we do is seek some of that advice from advisers and whatever else. We are confident we are getting that best advice. Just looking at Craig [Mackey], he just mentioned the £950 million and that is against the original expectations. We have the right skills to deliver those strategies within MPS, absolutely.

**Tom Copley AM:** There could be, between the functional bodies, I do not know, some sort of coordination or --

**John Biggs AM (Chairman):** I suppose the MPS's capital assets are essentially operational. You have very few non-operational assets which generate revenue for you.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes. I was going to say, to reassure: there is some coordination certainly between our team and TfL and colleagues here at the GLA around that wider estate strategy in terms of these are where we are disposing or these are where things are coming up for potential, to look at opportunities.

**John Biggs AM (Chairman):** If you had been the TfL you might have sought partners for developing New Scotland Yard or the Peel Centre. Instead you sought partners to essentially dispose of them.

**Craig Mackey QPM (Deputy Commissioner, MPS):** We discussed at a previous meeting of this, in some detail, the idea of whether you would develop New Scotland Yard and do it with a partner. Actually all the advice, and that is strategic external advice we got, the value is in the approach we took, which is borne out by the receipt that came in for it.

**John Biggs AM (Chairman):** That is good enough for me. Shall I move on to me?

**Tom Copley AM:** Always you, John. From you to you.

**John Biggs AM (Chairman):** That is enough about me. Let us talk about me. The technology strategy.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**John Biggs AM (Chairman):** Apparently I was chaffing at the bit, is that right?

**Tom Copley AM:** Champing at the bit.

**John Biggs AM (Chairman):** Champing at the bit, not chaffing.

**James Cleverly AM:** I say you could chaff at the bit, but that rather depends on where you put the bit.

**John Biggs AM (Chairman):** That is a very interesting point and I rely on your Fire Authority expertise, just making that point. Chomping, chaffing, yes I have spent over 50 years misusing that expression then. It explains a lot about my life, does it not? Anyway, it does not really help the transcript though does it? Let us talk about the technology strategy. You are in a complete mess on the technology strategy in essence because we had some very nice people who came to see us.



**John Biggs AM (Chairman):** Mark Rowley [Assistant Commissioner for Specialist Crime and Operations in the Metropolitan Police Service] was responsible and Richard Thwaite [Interim Chief Information Officer, Metropolitan Police Service] was nearly brought in, was the great hope and was going to redesign your IT strategy. Mark is now on to greater things, or lesser things, or whatever, and Richard Thwaite is gone, for whatever reason and we now have John Lowry who is the Director of Digital Policing.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**John Biggs AM (Chairman):** Is he the new Richard Thwaite?

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**John Biggs AM (Chairman):** OK, so why did Richard Thwaite go?

**Craig Mackey QPM (Deputy Commissioner, MPS):** I do not actually share your analysis. I can understand why you use that analysis. I do not share your analysis. The hardest part of the delivery around this is the technology strategy. When Richard [Thwaite] and Mark [Rowley] were here they would have talked a lot about the work around getting the strategy right. So, the strategic framework in terms of where the MPS was, in terms of legacy systems, where the MPS was in terms of having to change out a lot of the things that were meeting obsolescence. What we have done as we have moved into the delivery phase is we have changed the team around it, in terms of, say, "Right, we are now in a phase where we have to actually deliver some of these things. We have made some different decisions and we will come on to those, between what I would call build-yourself versus off-the-shelf. So, commercial off-the-shelf systems. We can talk a little bit around that, but we are now very much in a phase where what we are going to need for the medium to long term is a very different approach around technology. This is much more about managing what will be a complex supplier chain of technology that is delivered to us and a much smaller organisation.

**John Biggs AM (Chairman):** Can I go backwards a minute? We will put that on hold for a second, because Camilla [Black] is getting away with nothing, with murder, at the moment - which is fine - but if we can just jump back very briefly to the running costs. Is MOPAC anxious about the MPS's performance on running costs and are you placing a steer on that?

**Camilla Black (Interim Director of Police Resources, MOPAC):** From an IT perspective?

**John Biggs AM (Chairman):** No, forget IT for the moment. We should have brought you earlier on, on the staffing and on the building costs.

**Camilla Black (Interim Director of Police Resources, MOPAC):** That's fine. Yes, we have regular discussions around this and, as you know, we have an investment board where we consider changes. Indeed only recently we have considered the spend on externals, on consultants and on interim staff. We are keen to keep working with Lynda [McMullan] and her team and others around understanding that we are using those people to the best effect. We will put things in place, give us comfort, and we will get more transparency perhaps than what we have previously had. In general, yes we are content that they are being managed. We just need that additional level of comfort.

**John Biggs AM (Chairman):** That applies both to the staffing strategy and to the building operating costs?

**Camilla Black (Interim Director of Police Resources, MOPAC):** Indeed.

**John Biggs AM (Chairman):** OK. I apologise for jumping backwards on this and interrupting Mr Mackey at a key moment in his presentation.

**Craig Mackey QPM (Deputy Commissioner, MPS):** I am not sure it was a key moment.

**John Biggs AM (Chairman):** OK. We reached a pause in that. You are saying you have the strategy and now you need a different bunch of people. It is a bit like putting people on the moon. Some people to get them up there and other people to land it.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes. It would be the same. The current team in there will not be the long-term team for running, because we are going through a huge change and transformation so we will undoubtedly look for different groups of people as we go through that. You remember last time we met and we talked about a completely different model of how we deliver IT services. Like many organisations, we are moving into a model that has a service integration and management level - or "SIAM towers" is the "in" phrase people talk about - which is about how you commoditise services in technology and deliver them in a different way.

We are actually out in the market as we speak, for the integrator level, in terms of that level of work. That has progressed at a rate, and that is part of predictions around our savings. At the moment, if you look up to the end of 2015, in the DP world we delivered about £22 million of savings. That again has slipped. We have seen some saving slip into the 2016/17 and 2017/18 year and we are still online over the terms of out to 2018 to deliver £62 million of savings in that space. That is work that is progressing, but I do not underestimate how difficult that is.

**John Biggs AM (Chairman):** The problem that I have with that at a high level is that you need to have corporate ownership of the strategy and if you keep changing people then who is --

**Craig Mackey QPM (Deputy Commissioner, MPS):** The board owns the strategy and ultimately I do as the Senior Responsible Officer (SRO) for the change. If the board does not own the strategy it will not ever get delivered. In the nicest way, in an organisation, if you give it to a functional lead, absolutely the function lead has to be responsible for delivering it. If the strategy and approach that the board take is not owned by the board, in the nicest way, you will end up where organisations have been for many years: where technology strategy is just something that is done to them, not with them or for them.

**John Biggs AM (Chairman):** Do you have IT expertise at the strategy board level?

**Craig Mackey QPM (Deputy Commissioner, MPS):** That is where John [Lowry] feeds in.

**John Biggs AM (Chairman):** OK, but he has replaced the bloke who did it before.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes, but that is quite normal.

**John Biggs AM (Chairman):** What is quite normal in the public sector is IT -- and you can see why we are doing this.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**John Biggs AM (Chairman):** IT projects which go over budget, which do not deliver, which are scrapped.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**John Biggs AM (Chairman):** Which someone comes to a committee and says, "This is going to be fantastic and it is going to be three times better". Disgruntled former staff then come and talk to us in private and say, "They're all talking rubbish because it was all right and they don't know what they're talking about". And it is a cyclical process, which everyone's hair falls out and everyone is as good as their last failure. You are being very positive about it but there must be a lot of risks in it.

**Craig Mackey QPM (Deputy Commissioner, MPS):** There is a huge amount of risk there.

**John Biggs AM (Chairman):** OK.

**Craig Mackey QPM (Deputy Commissioner, MPS):** If I can, just go back to one of the points. I would be amazed if you had people come to you and say, "It was really good before". I do not think you will get that with our IT.

**James Cleverly AM:** That is probably true.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Our IT, I think I have spoken to you before, as someone who has come in from other areas of policing, including much small organisations, was some way off the pace.

**John Biggs AM (Chairman):** Yes, right.

**Craig Mackey QPM (Deputy Commissioner, MPS):** We have got a huge challenge. The area that keeps me awake at night, I suspect worries Lynda [McMullan] and Camilla [Black] as well, is making sure that the technology, and particularly the technology change we need to make can deliver at the pace we need it to deliver.

**John Biggs AM (Chairman):** Right. And there are simplistically two areas. There are the support systems for technology, so pay and ration.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**John Biggs AM (Chairman):** Then there is an overlap between this and the other bit. The other bit is the frontline technology about Robocop and all that sort of stuff that fits people out with computers and laptops so they can manage more efficiently.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**John Biggs AM (Chairman):** There are two big streams.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Shall I take them both together? Do you want -- sorry.

**John Biggs AM (Chairman):** I think James wanted to come in first.

**James Cleverly AM:** One of the things that concerns me about big technology rollouts is that there is a philosophical mismatch between the technology and what it can do and the organisation and willingness to embrace it. For example, I have had numerous examples of things like mobile phones – Blackberries – certain ways of using them have been precluded at a corporate level, which basically nullifies the advantage that that

technology has. We spent all the money getting a technology in place, then we sent out memos saying, "Don't use it like, this, this and that". Frankly, that being the case a bog-ordinary telephone would have been absolutely fine.

The question I would ask is what have you done to ensure that we do not have a conversation in a couple of years' time where a whole load of money has been spent on technology, the advantage of which has then been choked off by defensiveness or too much bureaucracy? I am looking at you whilst I am saying this but, Camilla [Black], I suspect I will need an answer from you as well.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Ultimately it is going to be a business decision, so you are absolutely right to look at me. One of the constant challenges we have is the issue around security. You will know with some of your other roles and experiences some of the stuff around security accreditation for equipment and what is the organisational appetite for risk around those. That is absolutely a live debate in terms of where you would go around it.

The other challenge is the pace of technology. Be aware that when we first did our pilots with mobility, we used the Apple product. We used the Apple product because frankly there was not anything else on the market: (1) that met the security standards; (2) had the processor capability; and (3) had the battery life. 18 months later there are and different standards of technology are now available. So, it is absolutely a race around how to keep up with it without saying, "I'll leave it so long, I'll be so blue sky, I'll forget to do anything". We are very, very alive to that issue. If you look at the iPad pilot, most of the technology you have on your iPad in front of you is engaged under the Fulham and Hammersmith pilot: the ability to take photos, to share things; to store stuff in the cloud; that is all part of the work that we are doing around it. There will always have to be that quite difficult debate in policing, because at the end of the day we have got, in some cases, your personal data, how we look at and store data is one of those big, wider debates.

**James Cleverly AM:** I just want to get Camilla's take on that. From a MOPAC point of view, what can be done to ensure that we do not have waste expenditure where we are buying functionality - technological functionality? Where for security reasons, or just inherent organisational caution, we are not spending money on technology which actually we know really in our heart of hearts we are not going to use because of privacy implications, security implications, that sort of stuff?

**Camilla Black (Interim Director of Police Resources, MOPAC):** That is a really good point because, as we know from large IT projects, wherever, especially in the public sector that is something we have traditionally done in the public sector. We take comfort - we referred earlier to John Lowry - and we take comfort from John being on board and his drive to really get with the business focus and the business need. So his first stance and probably his last position would be it is not about a technology deliver it is around what does the business need to be able to deliver that that it has been required to do. That give us comfort that actually the right conversations are being had or will be had.

One of the things which organisations have committed to in the past is to go down that technology route, rather than understand the business need. If you then scale your technology and your needs to that which you know is going to be required, you are in a different place to perhaps what we have traditionally been. That is a very helpful start. It is also very helpful in the work that the MPS are currently doing and we are involved in - myself on a personal basis as well - is getting the understanding, mainly the mobility project, which will be a very, very big programme indeed, and taking the time to assess the technology and going to get market expertise to help inform those things. The fact that they are going through that very thoughtful process and putting the business need at the heart of it, gives us a great deal of comfort.

**Craig Mackey QPM (Deputy Commissioner, MPS):** I should have said, to give you some confidence, because you are right to mark it. Chairman, if I was where you were it is the area I would keep focusing on.

The delivery piece, we are also working with PwC and Capgemini in this space, who are working with us on the delivery piece. A really simple thing where you burn money: application rationalisation. I bet it is the same in the GLA. Having looked at this it is a subject I could bore for England on now, I will not - to reassure you. You will find you will have lots of applications across the organisation that are used by either one, two or three people. They have a service maintenance contract that has probably got them on gold standard, call out in under two hours, and you will be burning costs that you do not even know about. You have to get into that level of granularity and drive this to keep a handle on driving those costs.

I should have said as well, those savings I quoted as a profile, that is just the work in what we call Total Technology Policing (TTP) infrastructure and our big core contracts. There will be more savings to be made as a part of the mobility programme.

**John Biggs AM (Chairman):** It probably makes sense if I take you through three of our scripted questions and then you can give us your biggest spiel, if you like. In terms of who is in charge of this strategy, you confirmed that some of the individuals have changed.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**John Biggs AM (Chairman):** It is no longer Mr Rowely [Assistant Commissioner for Specialist Crime and Operations in the Metropolitan Police Service], it is now someone else reporting to you. They are reporting to you?

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**John Biggs AM (Chairman):** You are also saying it is the Strategy Board, is that right?

**Craig Mackey QPM (Deputy Commissioner, MPS):** It is the board and the MPS. The management board and the MPS is driving the technology strategy.

**John Biggs AM (Chairman):** That is always going to be hazardous, is it not? Because most of these guys will be baffled by the technology; by bright lights that shine in the dark.

**Craig Mackey QPM (Deputy Commissioner, MPS):** I think, if I may, that is part of the challenge. It is how you engage with technologies. One of the challenges that you have rightly highlighted and Camilla [Black] has touched on, if the business does not engage in this all you will get is bright lights that shine in the dark, or someone who comes back for a conference and says, "I've seen a laptop that can do X, Y and Z". The fact that you cannot land it on the business, or cannot scale it, no one has ever understood. It is absolutely key that the business leads this.

**John Biggs AM (Chairman):** What problems have you had so far delivering the strategy? I notice that you have been subject to audit reports that have talked about challenges with the programme.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**John Biggs AM (Chairman):** You slowed things down to get them right and as a result of that you have achieved fewer savings that you planned to, and so we are in a bit of a pickle here. Obviously it is a better bit of a pickle now than a big pickle later on.

**Craig Mackey QPM (Deputy Commissioner, MPS):** That is the strategy. It also has the other --

**John Biggs AM (Chairman):** So pickle now rather than a pickle tomorrow is the strategy.

**Craig Mackey QPM (Deputy Commissioner, MPS):** I suppose at its heart it goes back to the question Mr Copley asked. We have got that £950 million worth of capital. We can spend that once to transform the organisation. You really would not thank me if I disappeared off into the sunset in three, four, five years' time, having spent £950 million and nothing had changed. Then I would really have to hang my head in shame. It is absolutely vital that we get this spend right. What we have done with that slow down and pause is absolutely make sure that: (1) each bit of the capital programme and the overall portfolio link together; and (2) they are either assigned to or are delivering real savings. One of the advantages of slowing that down as well, of course, is we have been able to reduce the revenue support to the capital programme. Whilst it has not delivered savings in that way, it has delivered savings in other parts of the budget.

**John Biggs AM (Chairman):** Sounds like smoke and mirrors to me.

**Craig Mackey QPM (Deputy Commissioner, MPS):** It is not smoke and mirrors, I assure you. We have to support the capital budget with revenue contributions, like most other public sector organisations.

**John Biggs AM (Chairman):** What is the problem you have had then? Has it been a strategy you started building and it has not worked or --

**Craig Mackey QPM (Deputy Commissioner, MPS):** No, it has been knitting it together. It has --

**John Biggs AM (Chairman):** What is the 'it' that you have been knitting together?

**Craig Mackey QPM (Deputy Commissioner, MPS):** To take an entire enterprise view of the organisation, to deliver a complete new back end in terms of how you deliver these services, and a new capability - you talked about business and operational systems, both of those are on the list to change - while at the same time changing your supply model. Getting those absolutely right and getting the interdependences right is a really difficult thing to do. That is why we have gone pause on that, deliver that.

**John Biggs AM (Chairman):** Therefore you had some kind of rocket scientist, or maybe Richard [Thwaite] or something came to you and said, "I've designed this thing. It's going to work. It's going to be wonderful". The board said, "This all sounds very convincing, let's build that".

**Craig Mackey QPM (Deputy Commissioner, MPS):** No.

**John Biggs AM (Chairman):** Then PwC came along and said, "Hang on a minute, this isn't going to work"?

**Craig Mackey QPM (Deputy Commissioner, MPS):** No.

**John Biggs AM (Chairman):** No? OK.

**Lynda McMullan (Director, Commercial & Finance, MPS):** The strategy is the same.

**Craig Mackey QPM (Deputy Commissioner, MPS):** The strategy is exactly the same, is just how you deliver it.

**John Biggs AM (Chairman):** Exactly the same.

**Craig Mackey QPM (Deputy Commissioner, MPS):** It is delivering the strategy. The focus has been on the cost. I talked about the SIAM towers model, which is a delivery model that is in many other organisations. The focus has been on doing that and taking that work out. Our core business system, so those ones that are policing-wise, we talked previously about we build all those ourselves. We have looked at and we have done some work on building some of those systems. They work incredibly well. That is a very expensive way of doing it and we have made a risk-based decision around looking again at off-the-shelf business systems. You then talked about, I think you describe them as back office or support systems, so people know them as enterprise resource planning (ERP) platforms and those sort of things that do pay and people. Clearly that features as part of the business support services and the potential approach to market, where there may be market solutions for delivering those.

**John Biggs AM (Chairman):** Right. I am sorry to delay the Members.

**Craig Mackey QPM (Deputy Commissioner, MPS):** That is all right.

**John Biggs AM (Chairman):** I am apologising to my colleagues here who are barely staying awake.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Oh sorry.

**John Biggs AM (Chairman):** Oh no, there are signs of consciousness there but anyway --

**James Cleverly AM:** Meditating.

**John Biggs AM (Chairman):** Meditating. Not levitating yet. No, that comes later.

We talked about this before, about the MPS dividing this new super-duper strategy which is going to invent new stuff and it is going to be better than anything else and you are now going to buy stuff off the shelf?

**Craig Mackey QPM (Deputy Commissioner, MPS):** For some of our core systems, yes.

**John Biggs AM (Chairman):** I understand Mr Rowley came from Surrey and he had a project in Surrey which did not work out and was replaced by an off-the-shelf, and Grant Thornton [UK LLP, consulting firm] looked into it and said, "This was a big mistake, we must learn". The organisation has learned from others' mistakes?

**Craig Mackey QPM (Deputy Commissioner, MPS):** Also the markets learn. The police market is an interesting market. It has been dominated by a couple of big suppliers in the past. There are a number of the major police forces who are out for what I call core systems: that is custody, intelligence, crime, those things that drive our business. There seems to be more interest in the market in terms of being able to provide solutions around that.

Frankly, some of the systems are not intuitive. The mobility offers on those systems look pretty clunky compared to other things, so we are going to have to drive and work with the market about it, but absolutely look at some of those on an almost 80:20 principle and see how feasible they are to take.

**John Biggs AM (Chairman):** OK, but you need to do things like deploying staff, managing shifts, staffing vehicles, arresting people.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**John Biggs AM (Chairman):** Then you have case management IT and then you pass things on to the Crown Prosecution Service (CPS) and they may or may not work. All those things need to hang together. That is the core business of what you do.

**Craig Mackey QPM (Deputy Commissioner, MPS):** That is the core business of what we do. The front end of the business, you have probably heard us talk previously, the replacement of that starts in October. Something called Command Point programme, which is the MPS's command and control system, handles about 5.5 million calls for service a year through our centre, starts in October this year and will fundamentally change the front end of how you contact and interact with the MPS.

**John Biggs AM (Chairman):** Is that off-the-shelf?

**Craig Mackey QPM (Deputy Commissioner, MPS):** That is an off-the-shelf product.

**John Biggs AM (Chairman):** What is it called?

**Craig Mackey QPM (Deputy Commissioner, MPS):** Command Point.

**John Biggs AM (Chairman):** Oh it is, right.

**Craig Mackey QPM (Deputy Commissioner, MPS):** It is delivered by one company and we have another company between us and that helping us with the integration with it.

**John Biggs AM (Chairman):** As part of this cause you have essentially scrapped your strategy of building things yourselves?

**Craig Mackey QPM (Deputy Commissioner, MPS):** No, not completely, for some substantial systems.

**John Biggs AM (Chairman):** Substantially or significantly?

**Craig Mackey QPM (Deputy Commissioner, MPS):** Substantially. Yes, so Command Point was always going to be an off-the-shelf one. That was in flight for some considerable time.

You talked about the work between us and the CPS. One of the most successful bits of designing it ourselves, in fact something we talked about this morning as a board, is the work we have done on a very intuitive bit of software, almost an application, that allows the preparation of the case file. Then through a two-way interface goes to the CPS. For most people they will glaze over, but that will allow us an efficiency around file builders and money that absolutely makes the business case look very, very viable.

**John Biggs AM (Chairman):** OK. You also need to speak to other police services, so you need to have a standard protocol for that.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes. To some extent that is in place. For a variety of reasons there is both the Police National Computer and the Police National Database that allows the exchange of intelligence and records with people. Then our ability to connect to something called the CJ Extranet allows us to connect with other police forces.

**John Biggs AM (Chairman):** When we spoke to you a year or so ago we were talking about, what, 80% of it being built in house and the rest of it off the peg and now it is the other way around?



**Craig Mackey QPM (Deputy Commissioner, MPS):** It is probably closer to 75%:25%.

**John Biggs AM (Chairman):** OK, so the pause you took led you to reach that conclusion?

**Craig Mackey QPM (Deputy Commissioner, MPS):** We did a piece of work around a sourcing strategy. How would we source it, how would we support it, looking at whole life costs and also the risk of getting it right.

**John Biggs AM (Chairman):** Yes indeed. I would have thought even the laziest scrutiny of public accounts committee reports would say, "Big risk if you're starting from scratch when other people have done it before".

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**John Biggs AM (Chairman):** When are you going to start achieving savings on this then? I think you started to answer this, but you have had a pause in savings.

**Craig Mackey QPM (Deputy Commissioner, MPS):** We have had savings in 2013/14.

**John Biggs AM (Chairman):** Of?

**Craig Mackey QPM (Deputy Commissioner, MPS):** £16.9m.

**John Biggs AM (Chairman):** That was below projection?

**Lynda McMullan (Director, Commercial & Finance, MPS):** That was above.

**Craig Mackey QPM (Deputy Commissioner, MPS):** No, that was above - £9.1m was what we thought of for 2013/14. 2014/15 was going to be closer to £41 million, we have done £5.2m.

**John Biggs AM (Chairman):** You have only achieved 5.2% against -- yes, sorry, that is when I --

**Craig Mackey QPM (Deputy Commissioner, MPS):** The slippage was the 2014/15 year rather than the 2013/14 year. That puts a pressure in 2016/17 at the moment on that part of the project of £27 million.

**John Biggs AM (Chairman):** In addition to what was planned?

**Craig Mackey QPM (Deputy Commissioner, MPS):** No.

**John Biggs AM (Chairman):** That is the planned saving.

**Lynda McMullan (Director, Commercial & Finance, MPS):** There was nothing planned.

**Craig Mackey QPM (Deputy Commissioner, MPS):** There was nothing planned for 2016/17.

**John Biggs AM (Chairman):** All right. You are just treading water in 2016/17?

**Craig Mackey QPM (Deputy Commissioner, MPS):** We had hoped that that piece of work around the service integration and the supply would be done and out to market. It will be slightly later.

**John Biggs AM (Chairman):** Is there a plan B if it does not work out? You are pretty confident you are going to reach those targets now?

**Craig Mackey QPM (Deputy Commissioner, MPS):** I am absolutely certain we will reach those targets.

**Lynda McMullan (Director, Commercial & Finance, MPS):** These are the recalibration of the Capgemini contract, putting it out. It took us a while to make sure that is on track but it is on track now.

**John Biggs AM (Chairman):** That is going to disappear, the Capgemini thing?

**Lynda McMullan (Director, Commercial & Finance, MPS):** Yes.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**John Biggs AM (Chairman):** It is a monster, a £1 billion contract, or whatever.

**Lynda McMullan (Director, Commercial & Finance, MPS):** Yes.

**John Biggs AM (Chairman):** In terms of your supply chains being held hostage to different suppliers, are you in a better shape on that?

**Craig Mackey QPM (Deputy Commissioner, MPS):** We will do, because for those who are not familiar with the [SIAM] towers there, are five: you have someone providing your networks; someone doing your end user computing; application maintenance and support; data centres and hosting. The theory behind this, which is well established in other parts of both the public and private sector, is that is where the specialism is. So organisations specialise in either hosting or data centres, or they are specialists in networks. If you buy a package that sits across all of them you tend to get a suboptimal package.

**John Biggs AM (Chairman):** Right. Finally then, on IT, very good news. The whizz bang stuff that officers carry around with them, which is the bit that people get excited about, is that on target?

**Craig Mackey QPM (Deputy Commissioner, MPS):** We talked about mobility earlier on. It is. As I explained, there are now at least two mobile solutions, hence why we have the mobility task force looking at does the change in technology that has occurred over the last 18 months make a difference to further rollout. Yes, it does work, it is quite impressive. We have to work out the network and the scale issue because it is going out to 20,000 or 30,000 of those across London will be a challenge in terms of doing it - eminently deliverable. It does link to your earlier question: as we change the core systems, so one of the key systems that will be on that is your ability to report crime, your ability to record intelligence. We have to make sure the off-the-shelf core systems work in a mobile and agile environment. At the moment, as I said, some of those that are currently commercially available look a bit clunky. They are not a lot more sophisticated than replicating your desktop in a mobile environment. For anyone who has worked in a truly agile organisation, all the experience we are picking up from people, is that you have to have that interface slightly better than that.

**John Biggs AM (Chairman):** Shall we move on to the next bit, which is Roger?

**Roger Evans AM:** Yes, this is about the operational policing measure (OPM), which this Sub-Committee has quite a high opinion of. What do you think about its usefulness, Deputy Commissioner?

**Craig Mackey QPM (Deputy Commissioner, MPS):** We think it is useful. We use the OPM and the two measures from Her Majesty's Inspectorate of Constabulary (HMIC). You will be aware we have been subject to

a number of rolling annual inspections as part of the value for money work that HMIC do. We have used it as a way of both charting the progress in the organisation, so we are seeing that frontline measure grow consistently over the last few years in terms of doing it. Also, we are using it very much as part of our overall modelling for the financial strategy.

We are talking about trying to get our support costs down to 15% of our growth revenue expenditure, as a marker to look forward for 2020. Obviously we have no insight at all as to what the next CSR will bring, like everyone else, but we know it will be a challenge. Therefore, what we are doing is using some of those as markers and benchmarks going forward. We have seen some OPM, go back to 2010, it was 76.6 and it is up at 87.7 now in terms of the progress around it.

You will remember we talked before about --

**John Biggs AM (Chairman):** What is that figure?

**Lynda McMullan (Director, Commercial & Finance, MPS):** That is the operational police officers number.

**Roger Evans AM:** Is that a percentage?

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes, sorry, a percentage.

**Lynda McMullan (Director, Commercial & Finance, MPS):** That is a percentage.

**John Biggs AM (Chairman):** It is 87.7% of what is doing what?

**Craig Mackey QPM (Deputy Commissioner, MPS):** Is in the operational line. Police officers are in operation roles.

**Lynda McMullan (Director, Commercial & Finance, MPS):** The operational frontline.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Operational frontline roles.

**John Biggs AM (Chairman):** Which is not the same as visible roles?

**Craig Mackey QPM (Deputy Commissioner, MPS):** No.

**Lynda McMullan (Director, Commercial & Finance, MPS):** No, so all of these measures are slightly different.

**Craig Mackey QPM (Deputy Commissioner, MPS):** If I may, Chair, that is one of the challenges with some of these measures. If you look at the moment, turn the news on today or open the paper today people are interested in sexual offences, in historic child abuse, cybercrime. That is not going to be a role that visible police officers predominantly are doing.

**John Biggs AM (Chairman):** Arguably, if you are visible in the cyberspace then you are still visible.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**Roger Evans AM:** Yes, if someone is looking. I suppose that is the case if you were visible outside as well.

**John Biggs AM (Chairman):** As with beat policing. If people are aware that that might be being looked at then that might have a behavioural impact.

**Roger Evans AM:** Are they there if no one can see them?

**John Biggs AM (Chairman):** You would have to ask one of our in-house philosophers in the back.

**Craig Mackey QPM (Deputy Commissioner, MPS):** I was going to say philosophy is beyond me, sorry.

If I may as well, the other one you will remember as part of the change we always talked about we would focus on trying to get police officers out of those operational support roles, and we have seen that figure halve over this period of change. We have focused on those roles. That creates other challenges but we have absolutely put that focus on trying to say, "Where are the police officers doing roles in the back office, middle office that we can move to the front line?" and we have done that. There is more we can do, absolutely, but we have done that focus.

**Roger Evans AM:** Camilla, what does MOPAC think about this? Do you feel that the MPS use OPM as well as they could?

**Camilla Black (Interim Director of Police Resources, MOPAC):** I have been heartened to think, very recently, as to the amount of work that the MPS have put into the OPM model. Again we briefly touched on that at a meeting last week. In MOPAC, we would think that there is more which we can do in this space to really start to understand the rank mix and to see how we could use it from a planning perspective and from that scenario use. We are pleased to see the work that has been put into it and what we would like to do is to see it move on to its next iteration.

**Roger Evans AM:** Which is what?

**Camilla Black (Interim Director of Police Resources, MOPAC):** Which will be linked in much more to the planning side, so that we could do the financial planning, but the resource planning too. That we can understand that that shift to getting people on to the frontline is getting officers on the frontline is real and is happening, and that we are managing that side of the thing, so that is where we are particularly keen to see it.

**Roger Evans AM:** What do you think would be a reasonable target? 87.5% is pretty good.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**Roger Evans AM:** Obviously the higher you get it the more difficult it is to push it still higher. What would you be setting as a target for your 2020 operating model?

**Camilla Black (Interim Director of Police Resources, MOPAC):** I suppose when we look at the overall numbers, staff and policing --

**Roger Evans AM:** 110% if you are in Tower Hamlets. Sorry about that.

**Camilla Black (Interim Director of Police Resources, MOPAC):** -- we are currently at 72% in total, including staff, so our targets are really about, as Craig says, putting that to about 85%.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes, 85%.

**Roger Evans AM:** 85%?

**Craig Mackey QPM (Deputy Commissioner, MPS):** If we could get that total organisational split to 85% of your gross revenue expenditure in the frontline and 15% support, that would be a pretty outstanding achievement to get that.

**Roger Evans AM:** You are exceeding that already.

**Craig Mackey QPM (Deputy Commissioner, MPS):** We are quoting police officers as opposed to percentages. I am talking total spend. We can push further.

**Roger Evans AM:** That is reassuring.

**John Biggs AM (Chairman):** Obviously anyone who did a bit of research on this Sub-Committee would know that we are assessed with OPM. We have been going on about it for years. Not because we are particularly passionate about it, but because we wanted the MPS to be more serious about having a metric which would allow us to understand what is going on and be compared with other police services and so on.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes.

**John Biggs AM (Chairman):** Yet when we look at your figures we have this other thing called 'demanding times'.

**Lynda McMullan (Director, Commercial & Finance, MPS):** That is HMIC.

**Craig Mackey QPM (Deputy Commissioner, MPS):** HMIC do it in a different way.

**John Biggs AM (Chairman):** It is new measure?

**Lynda McMullan (Director, Commercial & Finance, MPS):** It is slightly different.

**Craig Mackey QPM (Deputy Commissioner, MPS):** No. There is a slight difference in it. I know we have talked this through before at the Sub-Committee: HMIC cut the data in a slightly different way to the OPM and we have to prepare both.

**John Biggs AM (Chairman):** Why do you have to prepare both?

**Craig Mackey QPM (Deputy Commissioner, MPS):** Because we are expected by law by HMIC.

**John Biggs AM (Chairman):** To do both?

**Craig Mackey QPM (Deputy Commissioner, MPS):** Yes. In the nicest way we could say we do not do OPM, but we have actually used that for a time, we have got some history so we might as well use it.

**John Biggs AM (Chairman):** You might as well not use it if everyone else is demanding science.

**Craig Mackey QPM (Deputy Commissioner, MPS):** I suspect people will use both. The other one that we do not consider here, but we use quite a lot are the HMIC benchmarks on cost.

**John Biggs AM (Chairman):** Maybe we could get someone really excited and they could write to us and explain what the different metrics are and why they are using them and whether other people are using them.

**Lynda McMullan (Director, Commercial & Finance, MPS):** We have got that.

**Craig Mackey QPM (Deputy Commissioner, MPS):** We have that for you.

**John Biggs AM (Chairman):** Then we can get to the bottom of this and my mate William [Roberts, Budget and Performance Adviser, GLA] will be able to be happy.

**Roger Evans AM:** Persuade HMIC to use OPM.

**John Biggs AM (Chairman):** It was the HMIC that persuaded us that we should use the OPM and now they do not use it anymore.

**Roger Evans AM:** OK, it is complicated.

**Lynda McMullan (Director, Commercial & Finance, MPS):** It is telling the same story.

**John Biggs AM (Chairman):** That nice man from the HMIC should come and tell us what is right again.

**Craig Mackey QPM (Deputy Commissioner, MPS):** I know, Chairman, you look at them, but you might want to look at the HMIC benchmarking, because there is a richness of detail in there around cost benchmarking that does not come out in the OPM.

**John Biggs AM (Chairman):** OK. My bedside reading that I always fall asleep before I get to it is that benchmark for last year. It is very thick, is it not?

**Craig Mackey QPM (Deputy Commissioner, MPS):** It is.

**John Biggs AM (Chairman):** It tells us essentially the MPS is pretty damned inefficient.

**Craig Mackey QPM (Deputy Commissioner, MPS):** Chairman, I cannot let that pass. It tells us the MPS is going in the right direction and has made some considerable progress on things like rank mix.

**John Biggs AM (Chairman):** It does not contradict what I just said though.

**Craig Mackey QPM (Deputy Commissioner, MPS):** However, it does say there are still areas to go for.

**John Biggs AM (Chairman):** OK. It is a superb service. Yes. Thank you very, very much.