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Committee of Public Accounts

Serious and Organised Crime

**One Hundred and Nineteenth Report
of Session 2017–19**

*Report, together with formal minutes
relating to the report*

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The Committee of Public Accounts

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Summary

Serious and organised crime is increasing, with at least 4,500 organised criminal groups active in the United Kingdom, costing the economy at least £37 billion a year. Serious and organised crime is difficult to tackle. It is broad and varied in nature, hidden from view and causes considerable harm to individuals and communities. Despite launching a new strategy for dealing with serious and organised crime in 2018, government does not yet fully understand the threats from serious and organised crime. It does not have the right data to measure success or the performance of the government and law enforcement bodies tackling serious and organised crime. These bodies are focused on pursuing criminals after the crime has been committed, but this has been at the expense of doing work to 'prevent' crime from happening in the first place.

The Home Office is currently not using all the levers it has at its disposal to ensure that law enforcement bodies at local, regional and national levels prioritise work to tackle serious and organised crime. Without a better system, police forces will continue to focus most of their resources on local priorities, which will not necessarily reflect or help address the national priorities for serious and organised crime. There is still confusion over the role law enforcement bodies at each level should play in tackling serious and organised crime. As we have previously found, funding mechanisms are complicated and short-term—a problem compounded by uncertainties surrounding the delayed 2019 Spending Review.

Introduction

The Home Office (the Department) has overall responsibility for serious and organised crime policy, strategy and funding. The National Crime Agency (NCA) leads and coordinates UK law enforcement's response to serious and organised crime. It has identified ten major serious and organised crime threats: child sexual exploitation and abuse; modern slavery and human trafficking; organised immigration crime; illegal drugs; illegal firearms; organised acquisitive crime; money laundering; fraud and other economic crime; international bribery, corruption and sanctions contravention; and cyber-crime. Serious and organised crime is planned, coordinated and committed by people working individually, in groups, or as part of transnational networks. The Home Office works with over 100 organisations to tackle serious and organised crime, including elected Police and Crime Commissioners (PCCs), police forces, Regional Organised Crime Units (ROCU), the NCA and a range of international, national and local organisations.

Serious and organised crime is estimated to cost the UK economy at least £37 billion a year, and more people are thought to be killed as a result of serious and organised crime every year than all other national security threats combined. There are at least 4,500 organised criminal groups active in the United Kingdom. In 2013 the Home Office launched a strategy for dealing with serious and organised crime based on the '4Ps' model used in counter-terrorism. This model requires law enforcement organisations to:

- **prevent** people getting involved in crime;
- **pursue** and disrupt illegal activities once they have happened;
- **protect** society against crime; and
- **prepare** for when crime occurs so the impact can be mitigated.

In 2018 the Home Office produced a new strategy retaining the same '4P' model. This aimed to address shortcomings in the 2013 strategy by doing more work to prevent people committing serious and organised crime, developing data exploitation capabilities, and improving the way funding is allocated.

Conclusions and recommendations

1. **Government has not yet achieved its objective of moving its focus away from pursuing criminals and it is not prioritising activities that might stop serious and organised crime happening in the first place.** The Department's strategy for tackling serious and organised crime is based on the same '4P' model used for the UK's counter-terrorism strategy. Activities to prevent people being drawn into organised crime are potentially more important in tackling serious and organised crime in the long-term than pursuing criminals after a crime has been committed. But government only spent 4% (£84 million) of its total budget for tackling serious and organised crime on 'prevent' activities in 2015–16, a fraction of the 79% (£1.8 billion) it spent on 'pursue' activities. We are not convinced that the 'prevent' activities that do take place are well enough thought through. The Department asserts that it is launching a multitude of 'programmes' to prevent crime, but it is unable to explain how these are designed in a way that builds on previous initiatives. For example, its new initiative of 'community coordinators' seems to be little more than a re-invention of previous initiatives such as neighbourhood policing teams.

Recommendation: *The Home Office should set out clear plans to support an increase in effective preventative activity across the law enforcement system and provide an update to the Committee within six months.*

2. **The Home Office and the National Crime Agency's ability to understand the scale of the threat from serious and organised crime is weakened because they do not use data effectively.** Serious and organised crime is increasing but government does not know why. The increase is in part due to a lack of police resourcing; technology enabling crime to move online; and globalisation making it easier to commit crimes in other countries. But the Department does not know how much of the increase is due to better recording of data or more willingness to report crime. The NCA is developing its capability to make use of data held by the police and others and has started using data from multiple organisations to help tackle crimes such as online child abuse. The Agency was able to revise its estimate of the number of organised drug-dealing groups that operate across 'county lines' from 700 to 2,000 by bringing together data from different police forces. The Department's 2013 strategy for serious and organised crime included undertaking better data processing and joining data obtained lawfully from multiple sources on multiple themes, including economic crime, cyber-crime and child sexual exploitation. However, in 2018 the NCA assessed government's understanding of four of nine prioritised serious and organised crime threats as 'weak' and the Department accepts that more could be done to use data to understand serious and organised crime.

Recommendation: *Within six months, the Home Office and NCA should provide an update on their understanding of the highest priority threats from serious and organised crime and what new insights the National Data Exploitation Centre (NDEC) is providing.*

3. **Constraints created by current funding arrangements for law enforcement bodies make it harder to tackle serious and organised crime.** Police forces report that they have limited resources and that members of the public and Police and Crime Commissioners expect them to prioritise the most 'visible' crimes, such as antisocial

behaviour or speeding. This can be at the expense of serious and organised crime, which can feel more like “unseen policing”. Dealing with serious and organised crime often requires multi-year operations, but funding is approved annually and comes from multiple funding sources, making it harder for forces to determine how much money they will have and plan how to spend this money effectively. Annual budgeting also risks successful projects being stopped for financial reasons. The NCA told us that annual funding for its £10 million programme to disrupt online child abuse was at risk of not being renewed despite it identifying 129 million compromised online credentials that could be used for criminal activity. Funding uncertainties are a particular concern for Regional Organised Crime Units (ROCU), around one third of which have funding agreed on an annual basis, and funds are often received so late that ROCUs have to rush to spend cash to avoid an underspend. We reported in 2018 that projects funded by the police transformation fund can face a ‘cliff edge’ if national funding is not renewed, because it can be difficult to keep such projects going using already very stretched local budgets. At that time, the Department claimed to have made improvements to the process for getting funds to police forces more quickly, but we are still concerned by shortcomings in its administration of funding. The principal government process for providing certainty over multi-year projects designed to tackle serious and organised crime is its five-year spending review, which was due this year. The delay to the spending review exacerbates uncertainties for law enforcement that could be avoided if a longer-term approach to funding was taken.

Recommendation: *As soon as possible, or as part of the Spending Review, the Home Office should agree with HM Treasury a way to provide greater certainty on how multi-year police programmes will be funded and administered.*

4. **The Home Office still does not know how successful it has been at reducing serious and organised crime.** The Department has been slow to develop a way of measuring the impact its activities are having. It has been collecting data on the performance of its strategy since 2017, but this is mostly focussed on ‘outputs’ such as numbers of arrests or value of drugs seized. Although useful, this does not allow the Department to understand how effective its strategy has been, identify the overall impact of the strategy, or determine whether the threat from serious and organised crime has been reduced. The NCA claims it is developing the way it captures data so it can better measure success but admits that the way data is recorded by law enforcement organisations does not give a complete picture of what is happening at local or regional levels. Raising public awareness of serious and organised crime is an important part of ensuring law enforcement agencies have the intelligence they need and that activities to tackle serious and organised crime are effective, but the Department has not yet done enough to educate the public about serious and organised crime threats.

Recommendation: *The Home Office and NCA should write to the Committee within six months, setting out what progress has been made in developing its performance measures, and what the impact of this has been.*

5. **We are concerned that a lack of clarity about the roles and responsibilities of the organisations involved in tackling serious and organised crime hinders the effectiveness of their activities.** The Department told us that serious and organised

crime has more prominence within law enforcement than ever before. But although all parties agree on the need for collaborative ways of working, well-defined roles, sufficient funding and good governance at the local, regional and national levels, we are not convinced that this has been translated into practice. The Department has committed to working collaboratively with relevant partners, but is unable to give any examples, beyond this commitment, of how it could ensure that the system for tackling serious and organised crime worked effectively. ROCUs must balance priorities set by both the NCA at national level and by individual forces at local level, but do not have enough clarity about the level of funding they will receive to be able to invest in building capacity at a regional level. ROCUs are also vulnerable to Police and Crime Commissioners choosing to invest in local rather than regional priorities, which could result in ROCUs losing up to 72% of their funding at short notice. The level of engagement from Police and Crime Commissioners in tackling serious and organised crime is varied: there are now two PCC leads responsible for this area, but only 29 out of 43 territorial forces in England and Wales were represented at the NCA's annual PCC day.

Recommendation: *The Home Office should develop a clear statement of roles and responsibilities at a local, regional and national level and provide an update to the Committee within three months. This should be underpinned by guidance for PCCs on their role.*

6. **The Home Office is not using the levers it has to manage the complex law enforcement system effectively.** Since July 2012 the Department has issued a Strategic Policing Requirement (SPR) which Police and Crime Commissioners 'must have regard to'. The SPR provides a way for the Department to ensure law enforcement organisations take a coordinated approach to national priorities, including serious and organised crime. But the SPR has not been updated since 2015 and is not specific about which serious and organised crimes forces should tackle or how Police and Crime Commissioners should invest in capability to tackle serious and organised crime. For example, modern slavery is not included in the SPR despite being classed as a 'priority' in the serious and organised crime strategy. Serious and organised criminals operate across police force boundaries, but Police and Crime Commissioners are not required to support regional efforts such as ROCUs despite the 2018 strategy setting out an ambition that the ROCUs should lead the regional response. This lack of detail makes it harder for Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services to check whether forces are complying with the SPR. There are also numerous governance groups for Ministers and officials and boards which are complex and bureaucratic, with several tackling different forms of violence.

Recommendation: *As soon as possible after the spending review, or within six months of this report, it should review the Strategic Policing Requirement, which sets out the threats that require a coordinated policing response. This should consider the local needs and capabilities of forces and not be a one-size fits all approach. The Home Office should also write to the Committee to explain how it is rationalising governance groups and making decision making more transparent.*

1 Understanding serious and organised crime

1. On the basis of a report by the Comptroller and Auditor General, we took evidence from the Home Office (the Department), the National Crime Agency, and police forces about tackling serious and organised crime.¹

2. Serious and organised crime is broad and varied in nature, can be difficult to identify, and causes considerable harm to people. The National Crime Agency (NCA) estimates that serious and organised crime affects more UK citizens, more often, than any other national security threat and leads to more deaths in the UK each year than all other national security threats combined. It categorises serious and organised crime as including ten major threats: child sexual abuse and exploitation; modern slavery and human trafficking; organised immigration crime; illegal drugs; illegal firearms; organised acquisitive crime; money laundering; fraud and other economic crime; international bribery, corruption and sanctions contravention; and cyber-crime. The annual social and economic cost of serious and organised crime was estimated to be £37 billion in 2015–16. This included £20 billion from drugs crimes, including drug-related deaths and hospital treatments, and £8 billion from economic crime.²

3. Serious and organised crime is planned, coordinated and committed by people working individually, in groups, or as part of transnational networks. There are more than 4,500 identified organised crime groups and 181,000 organised criminals operating in the UK. These groups use violence and intimidation in communities to operate and prey on vulnerable people.³ The Department considers organised criminals the biggest threat to national security in terms of the number of people that they kill, the communities that they harm and the “corrosive and chronic” effect that they have on society.⁴

4. The Department has overall responsibility for tackling serious and organised crime in England & Wales, including responsibility for policy, strategy and funding. The NCA is responsible for leading and coordinating UK law enforcement’s response to serious and organised crime. The Department is also responsible for coordinating the contributions of the NCA, nine regional organised crime units (ROCU), 43 territorial police forces and other law enforcement partners. In total, the Department works with over 100 organisations to tackle serious and organised crime, including a range of national and local organisations. Government and law enforcement bodies spent an estimated £2.9 billion tackling serious and organised crime in 2015–16.⁵

1 C&AG’s Report, [Tackling serious and organised crime](#), Session 2017–19, HC 2219, 28 June 2019

2 C&AG’s Report, para 1.2, Figure 2

3 [Q 41](#), C&AG’s Report, paras 2, 1.2, Figure 2

4 Q 108

5 Q 11, C&AG’s Report, para 4, 1.3, Appendix 3

The serious and organised crime strategy

5. In 2013, the Home Office launched a strategy for dealing with serious and organised crime based on the ‘4Ps’ model used in counter-terrorism. This model requires law enforcement organisations to:

- **prevent** people getting involved in crime;
- **pursue** and disrupt illegal activities once they have happened;
- **protect** society against crime; and
- **prepare** for when crime occurs so the impact can be mitigated.⁶

6. In 2017, the Department’s evaluation of the 2013 strategy found some significant failings and concluded that the approach was not designed to deal effectively with the increasing complexity and scale of serious and organised crime. In 2018, the Home Office produced a new strategy retaining the same ‘4P’ model. The new strategy aimed to address the issues identified in the 2013 strategy, including by doing more work to prevent people committing serious and organised crime and raising public intolerance of it, developing NCA’s capability to exploit data and improve the government’s understanding of serious and organised crime, aligning efforts to tackle serious and organised crime and a more sustainable funding model.⁷

7. The Department estimated that, of the £2.9 billion spent on tackling serious and organised crime in 2015–16, £2.2 billion was spent by front-line services on tackling crime. Of this £2.2 billion, £84 million (4%) was spent on the Prevent strand, compared to £1.8 billion (79%) on the Pursue strand of the strategy.⁸ We asked the Department whether this was the right balance given its commitment to undertake more work to prevent people becoming involved in serious and organised crime. The Department told us that, while funding was important, it was not the only measure of whether it was doing enough on Prevent and asserted it was putting a lot of effort into Prevent. It told us that bringing together services within communities, working with non-governmental organisations, and increasing collaboration, were “incredibly important” as part of Prevent.⁹ The PCC for Cumbria told us that Prevent was arguably more important than Pursue, as “if we can prevent people from being drawn into crime, we stop young people destroying their own lives and the victim’s lives” as well as saving money from not having to pursue individuals.¹⁰

8. We asked the Department what activities were included in Prevent, and what was stopping it from giving more focus to Prevent. The Department told us that it funded a range of Prevent activities across the ten major threats included in its definition of serious and organised crime. This included its pilot of community coordinators, who were responsible for bringing together local public services and other services within a community. It told us it was increasing community coordinators from five to eight areas in response to the pilot’s success. We asked how community coordinators would replace initiatives such as neighbourhood policing teams, which previously worked within local communities and contributed to national programmes such as the trouble families

6 Q 51, C&AG’s Report para 3, 1.6

7 Qq 38, 41, C&AG’s Report, paras 1.7–1.9

8 Q 51, C&AG’s Report para 3.2, Figure 9

9 Qq 38, 57

10 Q 17

programme. The Department told us that its intention was to ensure that serious and organised crime received attention and focus from public services in the area. It explained that community coordinators were part of efforts to ensure that “children looking at their peers in their communities who do end up with the money and the wealth, and how you avoid them going down that track”. It did not, however, comment on how this initiative built on those previously in place.¹¹

9. We asked the Department how it was ensuring that interventions with children and young people most at risk of falling into crime were adding value rather than re-inventing the wheel or duplicating efforts being made elsewhere. The Department told us that it had introduced other initiatives to address areas of serious and organised crime where prevention was particularly difficult, such as the Lucy Faithfull Foundation, which works with offenders of child sexual abuse who are trying to change their behaviour. It recognised, however, that Prevent remained an area where it wanted to do more as part of the strategy. It told us that the role of the Senior Responsible Owner for serious and organised crime was responsible for bringing together government Departments to ensure a shared understanding of activities being undertaken to tackle serious and organised crime.¹² This included working with the Department for Education to teach young people how to keep themselves safe online, both as potential victims and to prevent potential criminal activity.¹³ The NCA told us that a product had also been launched for four to seven year-olds in recognition that this age group now have tablets and therefore access to the internet.¹⁴

Understanding the threat of serious and organised crime

10. In May 2019, the NCA estimated that the volume and complexity of serious and organised crime was increasing. The Police and Crime Commissioner (PCC) for Cumbria told us that it was difficult to determine whether crime was increasing, or whether it was being better understood and better recorded. He and Merseyside police agreed, however, that overall levels of crime were rising, and that resourcing issues had been a key cause of this.¹⁵ Merseyside police explained that one of the consequences of having fewer police officers was that police forces focused on their statutory responsibilities and had therefore reduced their proactive activity which targeted individuals who caused the most harm. It asserted that as a result of communities seeing fewer police officers, members of the public had less confidence in policing to protect them should they report issues. It also explained that higher levels of serious and organised crime were being driven by a lack of opportunities for young people, and an increasing tolerance of criminal activity within some communities, particularly within deprived areas.¹⁶ The Department and the NCA told us that the increase also reflected the impact of technology and globalisation. They explained that while technology had many benefits, it was also a “massive enabler of crime” and was enabling the growth of new types of harm. This ranged from cyber-crime to the 2.88 million offenders of child abuse online worldwide. The NCA also recognised that “the more we look, the more we find” and there was now a greater willingness to

11 Qq 38, 51–54

12 Qq 38, 55, 59–60

13 Qq 63, 92–93

14 Q 104

15 Qq 1, 32–33, C&AG’s Report, para 1.2, Figure 2

16 Q 2

report and record some types of crime, such as modern slavery and human trafficking.¹⁷

11. The Department's review of the 2013 strategy found that the intelligence and assessment capability of organisations tackling serious and organised crime was underdeveloped for many types of crime. As part of the 2018 strategy, the NCA has committed to putting in place capabilities to process large amounts of data and join data obtained lawfully from multiple sources on multiple themes, including economic crime, cyber-crime and child sexual exploitation.¹⁸ The NCA accepted that its previous approach to serious and organised crime was far too linear and implied that serious and organised crime was far simpler than it actually was. It admitted that, until recently, it had not had a system to draw together the work being undertaken by police forces at a local and regional level,¹⁹ Law enforcement organisations also told us that the recording of crime varied greatly between police forces, forces have difference IT systems and it can be both time consuming and expensive to bring this together. They told us that it could be particularly difficult to access health data across the country, or data about activities that take place across different counties.²⁰ Since the 2013 strategy, the NCA has improved its understanding of the scale of serious and organised crime through national assessments of the threat. This includes a new national data exploitation capability (NDEC) to make more effective use of large-scale data analysis, and a new national assessments centre (NAC) to join data and intelligence to spot patterns and identify new vulnerabilities that criminals have begun to exploit.²¹

12. Despite these activities, however, in 2018, the NCA assessed that the government's and law enforcement's understanding of the scale of crime was weak for four out of nine serious and organised crimes. Even where understanding was considered 'good', for instance understanding the threat from child sexual abuse and exploitation, other government publications, including the NCA's annual assessment of serious and organised crime, made a more cautious evaluation of the level of understanding.²² The Department told us that the UK had the best understanding in the world of child sexual abuse and exploitation, but accepted that its understanding of modern slavery and human trafficking was still developing and more needed to be done to understand fraud and money laundering.²³

17 Qq 36–37, 109–111

18 C&AG's Report, para 2.9, Figure 5

19 Qq 39, 41

20 Qq 6–8

21 C&AG's Report, paras 2.3, 2.9

22 C&AG's Report, para 2.4

23 Q 71

2 The impact of funding and oversight arrangements

Funding arrangements for tackling serious and organised crime

13. PCCs are responsible for dealing with members of the public and responding to their concerns about crime in their community. The PCC for Cumbria told us that in their meetings with members of the public, the most commonly raised issues were antisocial behaviours, including “kids hanging around on the street, kicking footballs ... dog mess and speeding” as these were the crimes that that were most visible and affected people most frequently. He told us that dealing with serious and organised crime tended to be “unseen policing” but required significant resource. While the council tax precept had risen in recent years, this created an expectation among local residents that this would be used to fund visible police action, whereas the funding was more likely to be spent on this unseen activity.²⁴

14. Work to tackle serious and organised crime is funded by several unconnected funding streams, and by sources which are subject to annual bidding and decision processes, even for multi-year projects. The NAO found that this created numerous funding application and governance processes, which makes accessing funding overly bureaucratic. It also means that law enforcement bodies have limited certainty about how much they will receive each year for some of their serious and organised crime work.²⁵ The NCA agreed that the funding streams for tackling serious and organised crime were complex. It explained that it was funded by nine funding streams, many of which were one-year rolling funding streams. Some key areas of work, including its work on cyber-crime, child sexual abuse, its national strategic assessment centre and the economic crime centre, and £10 million invested in covert interrogation and addressing child abuse, were funded by one-year funding streams. It explained that the lack of certainty about whether these funding streams would be rolled-over each year was a considerable cause for concern.²⁶ For example, despite some very positive results, including 470 interventions with young people on the cusp of cyber-crime, and identifying 129 million compromised online credentials which could be used for criminal activity, the funding to continue this work was not yet certain.²⁷

15. In November 2018, we examined the financial sustainability of police forces in England and Wales. While the Department takes 11% of police funding to fund national programmes, including the Police Transformation Fund, we were not convinced that this ‘top-slice’ on funding was used effectively. We were concerned that projects funded by these national programmes can face a ‘cliff edge’ when national funding runs out and it was difficult to keep projects going locally out of already very stretched budgets. The Department recognised that the police transformation fund had not worked as well as it should have and claimed to have made improvements to the process for getting funds to forces more quickly.²⁸

24 Qq 13, 29

25 Q 65, C&AG’s Report, para 3.7–3.10, Figures 9, 10

26 Q 44

27 Q 65

28 Committee of Public Accounts, *Financial sustainability of police forces in England and Wales*, Sixty-Seventh Report of Session 2017–19, HC 1513, 7 November 2018

16. Funding uncertainties continue to be a particular concern for Regional Organised Crime Units (ROCU). ROCUs receive £170 million funding per year, which comes from a wide variety of sources. Seventy-two per cent of ROCU's funding comes from police forces and £40 million is year-on-year funding. Merseyside police explained that the potential "cliff-edge" made it very difficult for it to retain staff and to plan its approach over the next few years. It told us that, in addition, ROCUs often received their funding later on in the year, meaning they had to rush to spend it to avoid appearing to underspend.²⁹ For instance, for 2018–19 the Department did not pay its annual grant to ROCUs until at least December 2018, nine months into the financial year.³⁰ Merseyside police asserted that it was not sustainable for an organisation to receive almost a third of its funding on a year-on-year basis and that it was essential that ROCUs were given a secure financial footing.³¹

17. The Department accepted that the "year-on-year funding rhythm is just unhelpful in tackling something as corrosive and embedded as serious organised crime" and that it was working towards a more sustainable model. It recognised that multi-year funding arrangements would "plainly be preferable" but asserted that activities could still be undertaken even where financial decisions were being made "in a shorter time horizon". The Department accepted the NAO's recommendation that the Department's work to change how it funds efforts to tackle serious and organised crime should focus on streamlining processes and giving greater certainty to organisations and that any changes it makes in the forthcoming Spending Review will rationalise funding sources and give organisations longer notice over future funding to allow them to plan more effectively. It confirmed that, while funding for the national economic crime centre, was currently planned to run until March 2020, "money for it will be found" to allow the centre to continue to run.³² We asked how the Department would address the fragmentation in the funding arrangements, and how its plans for a more sustainable funding model would be reflected in the proposals it put forward for the forthcoming Spending Review. The Department recognised that this was a question that it needed to answer, but did not provide any further detail, noting that this was a matter for Ministers.³³

Clarity of roles and responsibilities

18. No single official or body is in overall charge of the response to serious and organised crime. The NAO found that there was no clear process for assessing consistently the relative importance of different operations and that there was a lack of clarity and consistency for allocating work from the NCA to ROCUs and forces, or upwards from forces through to ROCUs and the NCA.³⁴ The Department told us that collaboration between the organisations involved in tackling serious and organised crime, including other government Departments, was essential to the success of implementing the strategy.³⁵ In January 2019, the Department and the Cabinet Office consolidated governance of modern slavery and human trafficking into the National Security Strategy Implementation Groups (NSSIG) for serious and organised crime. However, a large number of governance groups remain, including 5 strategic Ministerial boards, 9 other relevant ministerial boards,

29 Qq 19–21, 73, 78

30 C&AG's Report, para 3.10

31 Qq 19, 32

32 Qq 65–66, 73–74, C&AG's Report, Recommendation E

33 Qq 45, 74–77

34 C&AG's Report, paras 3.14, 4.8

35 Qq 57, 61

multiple NSSIGs, 5 operational governance groups, 6 programme boards and 4 other relevant Departmental project boards. The NAO found that, despite some progress in consolidating the 37 governance groups that tackle serious and organised crime and the 59 groups that discuss related topics, governance of serious and organised crime remains cluttered and arrangements are complex. The Department told us that it was continuously reviewing its governance arrangements to check that the right arrangements were in place and they were delivering what was expected.³⁶

19. As part of the 2018 strategy, regional and organised crime units (ROCUs) are responsible for leading the operational response to serious and organised crime within each of their regions.³⁷ ROCUs investigate and disrupt organised crime groups operating across police force boundaries, and some provide support to investigations into other types of crime such as homicide and kidnap. However, in 2015, Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services found that most ROCUs had evolved in a piecemeal way and continued to develop inconsistently, creating a risk that, in some places, local and regional capabilities were insufficient to tackle serious and organised crime. HMICFRS also found that some police forces had been slow or unwilling to invest in the development of regional capability, which had limited the effectiveness of ROCUs.³⁸

20. Around 72% of funding for ROCUs comes from their constituent forces through Police and Crime Commissioners (£123 million in 2018–19).³⁹ In 2018, we reported that central government funding to PCCs had fallen by 30% since 2010–11, and that there were signs emerging that forces were finding it harder to deliver an effective policing service.⁴⁰ PCCs have a considerable amount of discretion in where they spend their funding and make choices to meet the demands of their communities alongside the requirements from regional and national law enforcement to provide personnel and financial support. The level of engagement from PCCs in tackling serious and organised crime is varied. There are now two PCC leads responsible for serious and organised crime, but only 29 out of 43 territorial forces in England and Wales sent representatives to the NCA's annual PCC day. The NAO found that some chief constables have prioritised their own forces' capabilities to tackle serious and organised crime, such as maintaining surveillance teams, to tackle crimes in their force area, rather than investing in the wider region.⁴¹

21. We asked the Department what contingency arrangements were in place if a PCC decided to move funding away from ROCUs in order to spend more on front-line neighbourhood policing. The Department accepted that this issue could arise "from time to time". It told us that its first reaction would be to talk to PCCs and ROCUs to understand the issues and ensure that the ROCU had the capabilities and funding from the police force that it needed. It explained that where this had happened, it had been able to resolve the issue through these conversations. It accepted, however, that there needed to be a "significant change" in the funding model for ROCUs and committed to reviewing this.⁴²

36 Qq 112–114, C&AG's Report paras 16, 3.13, Figure 11

37 C&AG's Report, para 15, 1.9

38 Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services, [Regional Organised Crime Units – A review of capability and effectiveness](#), November 2015

39 Qq 23, 78, C&AG's Report, para 3.11

40 Committee of Public Accounts, Financial sustainability of police forces in England and Wales, Sixty-Seventh Report of Session 2017–2019, HC 1513, November 2018

41 Qq 79, 102, C&AG's Report, para 3.11

42 Qq 78–81

3 The effectiveness of efforts to tackle serious and organised crime

Measuring the impact of activities to reduce serious and organised crime

22. We asked the Department and the NCA how they were tracking activities to tackle serious and organised crime to ensure that they had the impact intended. The Department recognised that at the time of the 2013 strategy, it did not have the data it needed to measure the performance of the strategy or the activities being undertaken as part of it. It told us that it now collected “abundant information” on its activities, including the number of arrests, number of disruptions and the amounts of money seized. However, the NCA told us that it had “better output data now than we have ever had”. This included being able to identify how many of 181,000 criminals operating in the UK it had taken disruption activity against. The NCA recognised that its measures were currently very output driven, and that until recently it had not had a system to analyse data on what police forces and regional teams were doing at a local or regional level. It told us that it had received funding from the Home Office to allow it to bring together this data and create a more sophisticated understanding of the activities being taken to disrupt criminal activity. The NCA committed to measuring both outputs and what this meant for harm.⁴³

23. The Department confirmed that it was committed to identifying the difference its activities were making to the threat of serious and organised crime. It asserted that this was “intrinsically a really hard question because these threats are often doing their best to keep hidden” but that it was making progress.⁴⁴ The Department told us that it was developing the next iteration of its serious and organised crime performance framework, which has been in place since 2017. It explained that it was working with the NCA, NPCC and other partners across government, to ensure that the performance framework considered outcomes as well as outputs. A working group, consisting of the Department, NCA, and some 67 partner organisations, was considering what this model should look like and was due to report to the Department in the autumn.⁴⁵

24. We asked whether there was more that the government could do to raise awareness of serious and organised crime.⁴⁶ The PCC for Cumbria agreed that more needed to be done to educate the public about the importance of serious and organised crime and activity undertaken to address it. He explained that ensuring members of the public were more aware of serious and organised crime was an important part of ensuring that law enforcement bodies had the intelligence they needed.⁴⁷ The NCA recognised that it needed to raise the profile of serious and organised crime among the public. It told us that, for the first time, it had produced a public version of the NCA’s annual assessment of serious and organised crime in the UK, which brought together information from law enforcement partners, civil society and intelligence agencies and included advice on how members of the public could better protect themselves.⁴⁸ The Department also introduced a series of

43 Qq 41, 58, 70

44 Q 70

45 Qq 41, 58, C&AG’s Report, para 2.11

46 Q 104

47 Q 15

48 Q 39

‘strategic communications campaigns’, including ‘Take Five to Stop Fraud’ and ‘Flag It Up’ to address money laundering, and its ‘Unseen’ campaign to address modern slavery.⁴⁹

The levers available to increase effectiveness

25. Since July 2012, the Department has issued a Strategic Policing Requirement (SPR) which Police and Crime Commissioners must ‘have regard to’ as part of their work. This identifies the threats that require a coordinated policing response. But it has not been updated since 2015 and is not specific about which serious and organised crimes forces should tackle or how commissioners should invest in capability to tackle serious and organised crime.⁵⁰ The NCA acknowledged that the SPR “has been static; it has not been modernised and it has not moved on”. For example, the current SPR includes drugs, but does not include modern slavery or human trafficking. While serious and organised crime and child abuse were both part of the SPR, the Department accepted there was “not much more specificity that sits below this”. It recognised that this made it more difficult for Her Majesty’s Inspectorate of Constabulary and Fire & Rescue Services to check whether forces are complying with the SPR.⁵¹ Merseyside police agreed that the SPR needed to be strengthened to ensure that PCCs were aware of their respective requirements to support regional and national approaches to tackling serious and organised crime.⁵²

26. We asked whether the Department planned to review the SPR to make it clearer to forces where their focus should be. It told us that it had committed to reviewing the SPR as part of its 2018 Serious and Organised Crime Strategy, and that this review was ongoing but was not yet complete.⁵³ The NCA recognised that it was important that this was not a one-size fits all model as difference regions will need slightly different things, and committed to ensuring that the review would be based on “proper demand modelling and proper intelligence analysis”. We asked how the NCA would ensure that the SPR also ensured that law enforcement bodies were able to learn from one another, so that if they identify a new or emerging issue in their area, they have quick access to the resources and expertise they needed to tackle it effectively. It told us that it was important to ensure a balance between dictating what activities other organisations should undertake and avoiding the risk that individual forces were able to choose not to take serious and organised crime seriously.⁵⁴

27. The Department works with over 100 organisations to tackle serious and organised crime. We asked how it was able to make this work when it did not have responsibility for holding those organisations to account. The Department told us that it had simplified reporting arrangements where possible, including merging working groups in government which were focused on serious and organised crime and on modern slavery and human trafficking. It admitted that, even with substantial simplification, the landscape for tackling serious and organised crime would remain complex and involve other government Departments who were accountable to their own Secretaries of State.⁵⁵ It told us that it was committed to maximising alignment between the organisations involved and exploiting synergies between areas of work, such as serious and organised crime and reducing harm

49 Q 104–107

50 Qq 42, 99, C&AG’s Report, para 3.16, <https://www.gov.uk/government/publications/strategic-policing-requirement> - last updated 3 March 2015

51 Qq 98–99

52 Q 23

53 Qq 42–43, 98, C&AG’s Report, para 3.16

54 Qq 100–101

55 Qq 11, 83–84, C&AG’s Report, para 4, 1.3, Appendix

to young people, and between Departments, such as the Department for Education, the Department of Health and Social Care, and local government.⁵⁶ If government Departments do not cooperate with initiatives to tackle serious and organised crime, then the Senior Responsible Owner (SRO) in the Department can report to the Cabinet Secretary, who can use their powers to “bring various entities back into line”, although the Department emphasised that there had been no instances of this.⁵⁷

56 Qq 83–86

57 Qq 88–91

Formal minutes

Monday 9 September 2019

Members present:

Meg Hillier, in the Chair

Sir Geoffrey Clifton-Brown Nigel Mills

Caroline Flint Gareth Snell

Draft Report (*Serious and Organised Crime*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 27 read and agreed to.

Introduction agreed to.

Conclusions and recommendations agreed to.

Summary agreed to.

Resolved, That the Report be the One hundred and nineteenth of the Committee to the House.

Ordered, That the Chair make the Report to the House.

[Adjourned till Wednesday 16 October at 2:00pm

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Wednesday 17 July 2019

Colonel Peter McCall, Police and Crime Commissioner, Cumbria, and **Chief Constable Andy Cooke**, Merseyside Police

[Q1–35](#)

Sir Philip Rutnam, Permanent Secretary, Home Office, **Julia Kinniburgh**, Director General, Serious and Organised Crime, Home Office, and **Lynne Owens**, Director General, National Crime Agency

[Q36–117](#)

Published written evidence

The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

SOC numbers are generated by the evidence processing system and so may not be complete.

- 1 Marquette, Professor Heather ([SOC0002](#))
- 2 Royal United Services Institute ([SOC0001](#))
- 3 The Association of British Insurers ([SOC0003](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the [publications page](#) of the Committee's website. The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2017–19

First Report	Tackling online VAT fraud and error	HC 312 (Cm 9549)
Second Report	Brexit and the future of Customs	HC 401 (Cm 9565)
Third Report	Hinkley Point C	HC 393 (Cm 9565)
Fourth Report	Clinical correspondence handling at NHS Shared Business Services	HC 396 (Cm 9575)
Fifth Report	Managing the costs of clinical negligence in hospital trusts	HC 397 (Cm 9575)
Sixth Report	The growing threat of online fraud	HC 399 (Cm 9575)
Seventh Report	Brexit and the UK border	HC 558 (Cm 9575)
Eighth Report	Mental health in prisons	HC 400 (Cm 9575) (Cm 9596)
Ninth Report	Sheffield to Rotherham tram-trains	HC 453 (Cm 9575)
Tenth Report	High Speed 2 Annual Report and Accounts	HC 454 (Cm 9575)
Eleventh Report	Homeless households	HC 462 (Cm 9575) (Cm 9618)
Twelfth Report	HMRC's Performance in 2016–17	HC 456 (Cm 9596)
Thirteenth Report	NHS continuing healthcare funding	HC 455 (Cm 9596)
Fourteenth Report	Delivering Carrier Strike	HC 394 (Cm 9596)
Fifteenth Report	Offender-monitoring tags	HC 458 (Cm 9596)
Sixteenth Report	Government borrowing and the Whole of Government Accounts	HC 463 (Cm 9596)
Seventeenth Report	Retaining and developing the teaching workforce	HC 460 (Cm 9596)
Eighteenth Report	Exiting the European Union	HC 467 (Cm 9596)

Nineteenth Report	Excess Votes 2016–17	HC 806 (Cm 9596)
Twentieth Report	Update on the Thameslink Programme	HC 466 (Cm 9618)
Twenty-First Report	The Nuclear Decommissioning Authority’s Magnox	HC 461 (Cm 9618)
Twenty-Second Report	The monitoring, inspection and funding of Learndirect Ltd.	HC 875 (Cm 9618)
Twenty-Third Report	Alternative Higher Education Providers	HC 736 (Cm 9618)
Twenty-Fourth Report	Care Quality Commission: regulating health and social care	HC 468 (Cm 9618)
Twenty-Fifth Report	The sale of the Green Investment Bank	HC 468 (Cm 9618)
Twenty-Sixth Report	Governance and departmental oversight of the Greater Cambridge Greater Peterborough Local Enterprise Partnership	HC 896 (Cm 9618)
Twenty-Seventh Report	Government contracts for Community Rehabilitation Companies	HC 897 (Cm 9618)
Twenty-Eighth Report	Ministry of Defence: Acquisition and support of defence equipment	HC 724 (Cm 9618)
Twenty-Ninth Report	Sustainability and transformation in the NHS	HC 793 (Cm 9618)
Thirtieth Report	Academy schools’ finances	HC 760 (Cm 9618)
Thirty-First Report	The future of the National Lottery	HC 898 (Cm 9643)
Thirty-Second Report	Cyber-attack on the NHS	HC 787 (Cm 9643)
Thirty-Third Report	Research and Development funding across government	HC 668 (Cm 9643)
Thirty-Fourth Report	Exiting the European Union: The Department for Business, Energy and Industrial Strategy	HC 687 (Cm 9643)
Thirty-Fifth Report	Rail franchising in the UK	HC 689 (Cm 9643)
Thirty-Sixth Report	Reducing modern slavery	HC 886 (Cm 9643)
Thirty-Seventh Report	Exiting the European Union: The Department for Environment, Food & Rural Affairs and the Department for International Trade	HC 699 (Cm 9643)
Thirty-Eighth Report	The adult social care workforce in England	HC 690 (Cm 9667)
Thirty-Ninth Report	The Defence Equipment Plan 2017–2027	HC 880 (Cm 9667)
Fortieth Report	Renewable Heat Incentive in Great Britain	HC 696 (Cm 9667)

Forty-First Report	Government risk assessments relating to Carillion	HC 1045 (Cm 9667)
Forty-Second Report	Modernising the Disclosure and Barring Service	HC 695 (Cm 9667)
Forty-Third Report	Clinical correspondence handling in the NHS	HC 929 (Cm 9702)
Forty-Fourth Report	Reducing emergency admissions	HC 795 (Cm 9702)
Forty-Fifth Report	The higher education market	HC 693 (Cm 9702)
Forty-Sixth Report	Private Finance Initiatives	HC 894 (Cm 9702)
Forty-Seventh Report	Delivering STEM skills for the economy	HC 691 (Cm 9702)
Forty-Eighth Report	Exiting the EU: The financial settlement	HC 973 (Cm 9702)
Forty-Ninth Report	Progress in tackling online VAT fraud	HC 1304 (Cm 9702)
Fiftieth Report	Financial sustainability of local authorities	HC 970 (Cm 9702)
Fifty-First Report	BBC commercial activities	HC 670 (Cm 9702)
Fifty-Second Report	Converting schools to academies	HC 697 (Cm 9702)
Fifty-Third Report	Ministry of Defence's contract with Annington Property Limited	HC 974 (Cm 9702)
Fifty-Fourth Report	Visit to Washington DC	HC 1404 (Cm 9702)
Fifty-Fifth Report	Employment and Support Allowance	HC 975 (Cm 9702)
Fifty-Sixth Report	Transforming courts and tribunals	HC 976 (Cm 9702)
Fifty-Seventh Report	Supporting Primary Care Services: NHS England's contract with Capita	HC 698 (Cm 9702)
Fifty-Eighth Report	Strategic Suppliers	HC 1031 (Cm 9702)
Fifty-Ninth Report	Skill shortages in the Armed Forces	HC 1027 (9740)
Sixtieth Report	Ofsted's inspection of schools	HC1029 (Cm 9740)
Sixty-First Report	Ministry of Defence nuclear programme	HC 1028 (Cm 9740)
Sixty-Second Report	Price increases for generic medications	HC 1184 (Cm 9740)

Sixty-Third Report	Interface between health and social care	HC 1376 (Cm 9740)
Sixty-Fourth Report	Universal Credit	HC 1375 (Cp 18)
Sixty-Fifth Report	Nuclear Decommissioning Authority	HC 1375 (Cp 18)
Sixty-Sixth Report	HMRC's performance in 2017–18	HC 1526 (Cp 18)
Sixty-Seventh Report	Financial Sustainability of police forces in England and Wales	HC 1513 (Cp 18)
Sixty-Eighth Report	Defra's progress towards Brexit	HC 1514 (CP 18)
Sixty-Ninth Report	Sale of student loans	HC 1527 (Cp 56)
Seventieth Report	Department for Transport's implementation of Brexit	HC 1657 (Cp 56)
Seventy-First Report	Department for Health and Social Care accounts	HC 1515 (Cp 56)
Seventy-Second Report	Mental health services for children and young people	HC 1593 (Cp 79)
Seventy-Third Report	Academy accounts and performance	HC 1597 (Cp 79)
Seventy-Fourth Report	Whole of Government accounts	HC 464 (Cp 79)
Seventy-Fifth Report	Pre-appointment hearing: preferred candidate for Comptroller and Auditor General	HC 1883 (Cp 79)
Seventy-Sixth Report	Local Government Spending	HC 1775 (Cp 79)
Seventy-Seventh Report	Defence Equipment Plan 2018–28	HC 1519 (Cp 79)
Seventy-Eighth Report	Improving Government planning and spending	HC 1596 (Cp 97)
Seventy-Ninth Report	Excess Votes 2017–18	HC 1931 (Cp 97)
Eightieth Report	Capita's contracts with the Ministry of Defence	HC 1736 (Cp 97)
Eighty-First Report	Rail management and timetabling	HC 1793 (Cp 97)
Eighty-Second Report	Windrush generation and the Home Office	HC 1518 (Cp 113)
Eighty-Third Report	Clinical Commissioning Groups	HC 1740 (Cp 97)
Eighty-Fourth Report	Bank of England's central services	HC 1739 (Cp 97)

Eighty-Fifth Report	Auditing local government	HC 1738 (Cp 97)
Eighty-Sixth Report	Brexit and the UK border: further progress review	HC 1942 (Cp 113)
Eighty-Seventh Report	Renewing the EastEnders set	HC 1737 (Cp 113)
Eighty-Eighth Report	Transforming children's services	HC 1741 (Cp 113)
Eighty-Ninth Report	Public cost of decommissioning oil and gas infrastructure	HC 1742 (Cp 113)
Ninetieth Report	BBC and personal service companies	HC 1522 (Cp 113)
Ninety-First Report	NHS financial sustainability: progress review	HC 1743 (Cp 113)
Ninety-Second Report	Crossrail: progress review	HC 2004 (Cp 113)
Ninety-Third Report	Disclosure and Barring Service: progress review	HC 2006 (Cp 151)
Ninety-Fourth Report	Transforming rehabilitation: progress review	HC 1747 (Cp 151)
Ninety-Fifth Report	Accessing public services through the Government's Verify digital system	HC 1748
Ninety-Sixth Report	Adult health screening	HC 1746 (Cp 151)
Ninety-Seventh Report	Local Government Governance and Accountability	HC 2077 (Cp 151)
Ninety-Eighth Report	The apprenticeships programme: progress review	HC 1749 (Cp 151)
Ninety-Ninth Report	Cyber security in the UK	HC 1745
One-Hundredth Report	NHS waiting times for elective and cancer treatment	HC 1750
One Hundred and First Report	Submarine defueling and dismantling	HC 2041
One Hundred and Second Report	Military Homes	HC 2136
One Hundred and Third Report	Planning and the broken housing market	HC 1744
One Hundred and Fourth Report	Transport infrastructure in the South West	HC 1753
One Hundred and Fifth Report	Local enterprise partnerships: progress review	HC 1754
One Hundred and Sixth Report	Eurotunnel	HC 2460

One Hundred and Seventh Report	Consumer protection	HC 1752
One Hundred and Eighth Report	Emergency Services Network: progress review	HC 1755
One Hundred and Ninth Report	Completing Crossrail	HC 2127
One Hundred and Tenth Report	Sale of public land	HC 2040
One Hundred and Eleventh Report	Funding for Scotland, Wales and Northern Ireland	HC 1751
One Hundred and Twelfth Report	Brexit Consultancy Costs	HC 2342
One Hundred and Thirteenth Report	Network Rail's sale of railway arches	HC 2230
One Hundred and Fourteenth Report	Help to Buy: Equity loan scheme	HC 2046
One Hundred and Fifteenth Report	Penalty charge notices in healthcare	HC 2038
One Hundred and Sixteenth Report	The effectiveness of Official Development Assistance spending	HC 2048
One Hundred and Seventeenth Report	English language tests for overseas students	HC 2039
One Hundred and Eighteenth Report	Challenges in using data across government	HC 2492
First Special Report	Chair of the Public Accounts Committee's Second Annual Report	HC 347
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Third Special Report	Fourth Annual Report of the Chair of the Committee of Public Accounts	HC 2370