

Chair
Public Accounts Committee

By email

09 April 2020

Dear Chair,

I am writing in accordance with the Committee's request for six monthly progress updates on the recommendations of the 2019 report on Serious and Organised Crime (SOC).

In our Treasury Minute response published in January and in Sir Philip Rutnam's letter to the Chair dated 16 January the Department provided you with some detail about the Independent Review of SOC and its impact in relation to your Committee's recommendations. The Review was announced in October to look at the full spectrum of SOC, considering the powers, capabilities, governance and funding required to tackle today's threats. The COVID-19 pandemic has delayed full analysis of the emerging recommendations - including the implications for the Committee's recommendations - until later this year. We will continue to consult extensively across Government and wider law enforcement partners before we make commitments on delivery. I will provide you with a further update on the Review, including a consideration of its proposed transformational changes, in due course.

As this is my first letter to you in my new role, which I started on 23 March, I would like the Department to have a good relationship with you and the Committee so that we are scrutinised on how we provide value for money of public spending and are held to account on how the Home Office delivers public services as we seek to fulfil our mission of keeping citizens safe and the country secure.

Yours sincerely,



Matthew Rycroft
Permanent Secretary

Update on recommendations

PAC recommendation 1: *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.*

We are determined to build the highest levels of defence against organised criminals and have an ambitious programme of work focused on preventing individuals from entering a life of crime.

The Government has invested over £220m in early intervention, through the £22 million Early Intervention Youth Fund (2018-2020) and the long-term £200 million Youth Endowment Fund, to ensure those most at risk are given the opportunity to turn away from violence and lead positive lives. The £200m Youth Endowment Fund will provide targeted intervention and support over the next 10 years for those young people most at risk of serious violence. The fund is being run by the charity Impetus, working in partnership with the Early Intervention Foundation and Social Investment Business.

The £22m Early Intervention Youth Fund has supported 40 projects in England and Wales working with children and young people at risk of criminal involvement. Details of the projects can be found at:

<https://www.gov.uk/government/publications/early-intervention-youth-fund-successful-bids>

The Government is also investing £70m over 2 years in Violence Reduction Units in the 18 areas worst effected by serious violence. These units bring together police, local government, health and education professionals, community leaders and other key partners to identify the drivers of serious violence and agree a multi-agency response to tackle and prevent them.

In addition, we are supporting targeted interventions for intensive one-to-one support for young people already involved in serious violence or county lines related exploitation, through St Giles Trust, Redthread and our Young People's Advocates.

Tackling county lines drug dealing, and the violence and exploitation associated with it, is a priority for this Government. The Home Secretary announced a package of measures to crack down on county lines gangs underpinned by a £25 million investment over 2019/20 and 2020/21. This investment has significantly uplifted the law enforcement response in key police forces and will expand specialist support for children, young people and their families who are impacted by county lines exploitation. This is in addition to continuing funding for the specialist, confidential Safecall helpline operated by Missing People in 2020/21, which provides advice and support.

The Department has been working with DfE and DHSC to improve collaboration between local safeguarding agencies and ensure more effective protection for children across a range of harms and threats. In September 2019, the Department

announced an additional £30m of funding for measures to tackle child sexual abuse. This funding includes provision for additional training for police leaders in safeguarding and work to improve the quality of information sharing between the police and other agencies to protect vulnerable people. In 2019/20 the Department also funded a network of prevention officers who support local partners to prevent child exploitation and other extra-familial threats. Delivered by The Children's Society, the prevention network involves coordinators in each of the ten policing regions delivering targeted activity, coordinating local prevention, and delivering contextual safeguarding interventions across exploitation types.

Also preventing the exploitation of the most vulnerable, the Government announced In July 2019 a £10 million investment to establish a new Modern Slavery Policy and Evidence Centre. The centre brings together and commissions new and innovative research on modern slavery to inform future communications activity and to build on promising interventions.

Since 2019 there has been a cyber Prevent capability in every local police force, giving us a national network of Prevent officers. This network is able to identify individuals who require a preventative response and gives the opportunity for law enforcement to pro-actively engage with education establishments and communities at a greater scale. We have begun piloting intervention partnership panels that bring together law enforcement, academia, the private sector and voluntary sector to more effectively identify at-risk individuals and deter them from getting involved or continuing in cyber crime. The first pilot panel was run in the London Metropolitan area in November 2019 and a second London panel was held in January of this year.

Recognising the importance of building the research base to underpin preventative activity, the Department funds several ongoing academic projects to develop evidence on offender pathways, motivations and behaviours. Projects also focus on supporting and refining law enforcement practices in relation to areas such as offender risk assessment and the planning and delivery of impactful interventions.

PAC recommendation 2: 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 is providing.

The NCA published its annual National Strategic Assessment (<https://www.nationalcrimeagency.gov.uk/news/nsa2020>) on 3 April, which provides the latest understanding of the highest priority SOC threats. A classified version of this assessment is made available to law enforcement partners and explains the latest intelligence on each threat in detail. This year, the NCA has redesigned the assessment, moving it from a purely threat focussed product to an assessment focussed on poly-criminality and the enablers of serious and organised crime. This year's assessment has been more comprehensive in its preparation than any other with the NCA National Assessment Centre pooling more intelligence and insight from law enforcement and from across the SOC

system than any previous National Strategic Assessment. The National Assessment Centre has continued to grow its capability and system understanding through the production of over 70 assessments in 2018/2019 and has produced a similar number in 2019/20.

The NCA Annual Plan (<https://www.nationalcrimeagency.gov.uk/news/annual-plan-2020>) was also published on 3 April and sets out the NCA's Strategic Priorities. This year, we have refocused the Strategic Priorities to provide a clear and concise focus for law enforcement activity across the high priority threats (a copy can be found at Annex A).

The National Data Exploitation Centre (NDEC) is providing new insights into SOC based on data analytics. Key areas of analysis include enhanced intelligence on organised immigration crime, profiling of money laundering and finding unknown criminal networks involved in financial crime. This has led to classified thematic outputs on countries and organisations involved in money flows, and the discovery of over 300 potential new networks. The NDEC plans to increase the scope and depth of data analytics work in future, focusing on specific threats for in-depth analysis and informing the threat picture with more sources to support a more complete picture.

PAC recommendation 3: 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.

The government remains committed to exploring ways to reform the funding structures for SOC. That work is ongoing, including through consideration of recommendations made by the Independent Review of SOC. The Review was asked to identify the capabilities, governance and funding needed ahead of a full Spending Review.

Due to the public health and economic emergency from COVID-19, the Chancellor announced on 24 March that the Comprehensive Spending Review would be delayed from July. We continue to work closely with operational partners to explore all possible avenues to provide the investment and certainty that the system needs.

PAC recommendation 4: 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.

The new NCA Strategic Priorities published last week provide a clear focus for law enforcement activity on the highest priority threats. We have established top level outcome metrics for each of these threats to ensure we have a clear understanding of performance, and leading indicators to monitor how the system is performing. This is aligned with work within the Home Office to drive policing outcomes, and the broader cross-government crime reduction agenda.

We continue to provide six-monthly performance updates to the National Strategy Implementation Group (NSIG) SOC, which have helped to facilitate discussion about system priorities.

PAC recommendation 5: 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.

As mentioned in the Department's January update on this recommendation, work is ongoing on the whole system response and we support developing a clear statement of roles and responsibilities. The findings and recommendations of the Independent Review of SOC will be key to informing this work.

PAC recommendation 6a: 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 Department remains committed to reviewing the Strategic Policing Requirement following the Independent Review of SOC. However, the response to COVID19 has changed the landscape and we are therefore re-planning the approach and timeline and will provide a further update once that detail has been agreed.

PAC recommendation 6b: The Home Office should also write to the Committee to explain how it is rationalising governance groups and making decision making more transparent.

Work is underway to rationalise governance groups and make decision making more transparent. The SOC governance system mapping is being updated and rationalisation is taking place. Several governance boards referred to in the 2019 National Audit Office 'Tackling Serious and Organised Crime' report are no longer meeting as their functions have been rationalised into alternative governance structures such as the National Strategy Implementation Group (NSIG) meetings. These boards include the Inter-Ministerial Groups on Gangs, Foreign National Offenders and SOC; the Modern Slavery Taskforce; and the Police Transformation Board.

The new Crime and Justice Taskforce and National Policing Board have presented a further opportunity to refocus and rationalise wider governance structures.

The NCA Strategic Priorities 2020

The principal objective of the NCA is the relentless disruption of serious and organised crime (SOC) through targeted action against the highest harm SOC offenders and networks. As an agency with a national and international remit, the NCA should continue to lead the cross-system operational response to SOC, working with and leveraging the capabilities of partners. The NCA should further develop our understanding of the threat and continue to design and deliver specialist capabilities to counter the threat. In the course of its investigations, the NCA must safeguard vulnerable individuals and the victims of SOC and work with partners to ensure they receive the most appropriate care. In light of recent events, the NCA should also maintain flexibility in order to deal with the resulting threats from the COVID-19 outbreak, including challenges from CSA, OIC, fraud and cybercrime.

The NCA's strategic priorities are to:

Reduce the number of victims of exploitation: this includes Child Sexual Abuse and Exploitation, Modern Slavery and Human trafficking and Organised Immigration Crime

- The NCA should continue to develop its intelligence capabilities and work with partners (including Border Force) to prosecute and disrupt individuals and groups responsible for modern slavery, human trafficking and immigration offences. Such outcomes should include an increase in the number of high harm individuals and networks which are disrupted and an increase in the number of vulnerable and exploited individuals safeguarded and supported.
- The NCA should tackle all forms of CSA and work to bring offenders to justice. Successful action against Child Sexual Abuse and Exploitation should be reflected by an increase in the number of disruptions of the highest harm contact child sex offenders. The NCA will lead the cross-system operational response to increase the risk and difficulty of obtaining and distributing child sexual abuse material online and an increase in the number of vulnerable and exploited minors who are safeguarded.

Reduce the impact of SOC on Communities: the main threats are firearms and drugs

- The NCA should ensure that organised crime groups are less able to supply illicit drugs to UK consumers and less able to generate profit from doing so. This should also include the continued disruption of the county lines business model, lowering the level of violence in the UK illicit drug market, and working to end the targeted and systematic use of children and vulnerable people that lies at the heart of this form of drugs distribution. Such outcomes should include an increase in the number of disruptions of high-harm criminals and networks involved in drugs supply, and an increase in the number of young and vulnerable people safeguarded.
- The NCA should work with wider law enforcement to reduce illicit trafficking of firearms across the border and the diversion of weapons from the lawful market in the UK, resulting in reduced availability of firearms to the criminal market.

Reduce the harm to individuals, the UK Economy and Institutions from economic crime - the main threats under this includes money laundering, fraud, and cybercrime.

- In tackling money laundering, the NCA should target the flow of dirty money through the UK, target those behind it, and increase the amounts denied and confiscated from criminals.
- The NCA should convene partners from across the public and private sector to work together on fraud to increase disruptions and protection against the high harm offenders and fraud types.
- The NCA should work closely with law enforcement to lead and co-ordinate the UK response to cyber-crime threats at the local, regional and national levels. The NCA should collaborate with international partners to pursue cyber criminals and the technical infrastructure they use overseas, leading to a reduction in overall volume cyber-crimes and high harm incidents. The NCA should also provide the investigative response for the highest severity cyber-crime incidents and support where incidents are delegated to other authorities for investigation.