



Corporate *NO: R076*

Report *COUNCIL DATE: April 9, 2001_*

REGULAR			
TO:	Mayor & Council	DATE:	April 4, 2001
FROM:	City Manager For Chair, Police Services Review Steering Committee	FILE:	8020-001
SUBJECT:	Police Services Review		

1.0 RECOMMENDATIONS

1. That Council receive this report and the KPMG Study.
(A copy of the KPMG report was provided to the Council in January 2001)
2. That Council re-affirm continuation of the RCMP Contract Policing as the City's Police Services provider.
3. That Council direct Staff to obtain the RCMP's commitment to expediently resolve the various issues including:
 - Human Resources and Recruitment issues
 - Financial Planning Process and reporting issues
 - Local priorities responsiveness and service level issues
 - Mandate issues of senior levels of government
 - Cost management issues
 - Better model to increase effectiveness of police services
4. That Council particularly direct staff to urgently obtain the RCMP commitment to resolve specific issues related to E-Division costs, recruit training costs, provisions to increase revenues and cost recoveries and the implementation of a new structure to improve effectiveness of the police service delivery.

5. That Council direct that a major review of this contract service be undertaken every five years.
6. That a copy of this report be provided to the RCMP and the Attorney General.

2 BACKGROUND

In Spring 2000, Council directed the Chair of the Public Safety Committee to review the following two options for police services in Surrey.

Option 1: A City of Surrey Municipal Police Department; or

Option 2: A performance-based contract with the RCMP where the City is an equal partner on major policy and priority setting.

To achieve the above goal, a Police Services Review Steering Committee was established consisting of the following:

- Councillor Dianne Watts (Chair)
- Councillor Gary Tymoschuk
- Barry Daniels, Abbotsford Police Chief
- Paul Brantingham, Professor of Criminology
- Gary Forbes, Assistant Commissioner, RCMP
- Umendra Mital, City Manager, Surrey
- Rob Costanzo, Project Manager
- Terry Smith, Chief Superintendent, RCMP (as an Advisor)

3.0 METHODOLOGY

To undertake the above review, the following approach was agreed upon by the Steering Committee:

- .1 Engage a suitably experienced consultant to undertake the study related to the City Police Department option.
- .2 Hold a “Police Expert Panel Workshop” with representative from both City Police Departments and the RCMP to broadly discuss the “pros” and “cons” of the two police delivery options.
- .3 Review of “issues” related to the RCMP contract policing.

4.0 CITY POLICE DEPARTMENT STUDY

Through a process of proposal reviews, KPMG was chosen by the Steering committee as the consultant to undertake the City Police Department Study.

Given a limited budget, the Terms of Reference for the KPMG study consisted of macro-level review focussing more

on “experience base” advice from the “experts” identified by KPMG assigned to this project. Appendix “A” lists KPMG's core team members for this project. Specifically, their scope was to determine the cost of forming and operating a municipal police service in Surrey, as well as to conduct high-level comparisons of policing costs with other similar cities.

The attached KPMG Study provides analysis related to:

- major components of a Surrey Municipal Police Service
- indication of costs of a Surrey Municipal Police Service
- broad cost comparison of the existing Surrey's RCMP police services with Abbotsford, Delta and London Police Services for the fiscal years 2000 and 2001
- high level summary of the advantages and disadvantages of a Surrey Municipal Police Service including significant differences between a Municipal Police Service and the RCMP

4.1 Major Components and Cost Indicators of a Proposed Surrey Police Department

- Management structure, Resources (both Uniform and Civilian), and deployment of resources in a Surrey Police option will likely be very similar to that of the current Surrey RCMP Detachment. Personnel costs of a likely unionized Surrey Police Service are estimated to be similar to the current RCMP salaries. However, it is proposed that the RCMP salary levels are to rise to be the “top three” in Canada in the future. When this occurs, the RCMP salary costs may well become significantly higher than those of a municipal police force.
- Additional resources will be required to perform administrative and operational support services currently provided by the RCMP E-Division. The KPMG study, at a macro-level, estimates that such services can be provided at a lower cost than currently billed by the RCMP. This observation is also validated by comparison to Delta and Abbotsford Police Department costs.
- Based on a high level assessment to estimate the number of police personnel required to form an efficient and effective Surrey Municipal Police Service, an analysis of the numbers of police officers per capita, crime rates, response time for “priority one” calls and officer case loads was undertaken. When compared to other B.C. jurisdictions policed by the RCMP, Surrey RCMP has a comparable level of personnel resources. However, this analysis concludes that Surrey RCMP officers generally have a higher case load per officer, the response time for priority one calls is greater, and the number of police personnel resources are generally lower, when compared to other municipally policed jurisdictions.
- Start-up costs (related to transfer of existing assets, Emergency Response Team, Tactical Troup, Investigative Support, Forensic Identification, Dog Section, Facilities, Uniforms and Equipment and Vehicles) does not appear to represent a major logistics issue. There will, however, be a one-time start-up cost estimated at over 3 million dollars.
- Recruitment training costs will be significantly decreased but the 10% federal subsidy will be lost if Surrey were to form its own police service.

4.2 Advantages and Disadvantages of a Municipal Police Service

Advantages of forming a Municipal Police Service

The primary advantages of establishing a Surrey Municipal Police Service are as follows:

- Stronger fiscal control by the City over the police budget.
- The ability to manage the services presently provided by the RCMP's E-Division, which should lead to better cost control.
- Reduced training costs.
- Added flexibility to customize the police service to local community needs.
- The ability to implement human resources policies that will result in a more stable and experienced police service, which is more representative of the local community. The RCMP recognizes these issues and is implementing changes to its policies that will make it possible for recruits from the lower mainland to be posted there and to remain there for at least five years before being transferred.

Disadvantages of forming a Municipal Police Service

The primary disadvantages of establishing a Surrey Municipal Police Service are as follows:

- Loss of the 10% federal funding subsidy.
- Start-up costs of approximately \$3 million and possibly more.
- Surrey Municipal Police Service members would probably join or form a police union. This will result in additional responsibilities on the part of the City in negotiating with the union.
- The change process from the RCMP police service to a Surrey Municipal Police Service could be considerable and complex.
- Loss of the ability to quickly draw upon provincial RCMP resources to augment the City's resources during unusual or emergency situations. (e.g. bring in more people with the same equipment and training or obtain specialized resources on a higher priority basis).
- Surrey may be disadvantaged if regionalization is imposed by the provincial government. For example, the start-up costs may be unnecessarily incurred if the RCMP were awarded a regional policing contract.

4.3 Key Conclusions of the KPMG Study

Based on a macro-level analysis, the key conclusions of the KPMG Study can be summarized as follows

1. The overall ongoing costs of a Surrey Municipal Police Service may be about the same or marginally higher than the costs of the current RCMP policing model. In addition, Surrey would be required to incur a one-time start-up cost of at least \$3 million.
2. Current police personnel resources provide an adequate level of service, and are comparable with other BC Lower Mainland jurisdictions policed by the RCMP. However, these resources are low in comparison with comparable municipal jurisdictions in other provinces, particularly similar size cities with similar crime rates to Surrey.
3. Under current BC provincial legislation, a municipal police service model would not appear to give City

Council any more control over the police service than it presently has. However, the *defacto* control may be stronger. There are, however, differing views in this area, and the City would be well advised to discuss this with other municipalities.

4. A Surrey Municipal Police Service would be unionized. Based on the overview examination, when comparing the two policing models, costs for an equivalent level of resources are likely to be similar. However, the issue of effectiveness of service delivery between a unionized/non-unionized police service is a more complex matter, which requires more detailed analysis.

5. The City should hold discussions with the RCMP on important issues such as RCMP Personnel policies and their appropriateness to a “big-city” policing environment; higher costs of E-Division administrative functions, and higher costs of recruit training. If the existing system can be improved by resolving the above issues, as well as implementing strong RCMP/Municipal relations, then it would be beneficial for the City to continue to retain those services.

5.0 POLICE EXPERT PANEL WORKSHOP

An expert Panel Workshop, attended by the Mayor and Council, was held on October 4th, 2000.

The Panel members were:

- Bev Busson, Commanding Officer, RCMP ‘E’ Division
- Chief Julian Fantino, Chief of Police, Toronto
- Larry Proke, former Deputy Commissioner, RCMP
- Chief Jim Cessford, Chief of Police, Delta

The primary purpose of this expert panel workshop was to provide an opportunity for Surrey Council to hear “first hand” the key issues, as well as significant “pros” and “cons” of the two policing options. i.e. A City Police Service as well as RCMP Contract Policing.

Key issues discussed at the workshop included governance, cost effectiveness, service effectiveness and optimal civilianization. Key conclusions from this workshop can be summarized as follows:

- For a Municipal Police Service, the governance and make-up of a Police Board varies from province to province. In B.C., the Police board would consist of the Mayor, one Council appointee and up to 5 Provincial appointees.
- Under the RCMP Policing Contract, the selection of the Officer-in-Charge is made by the RCMP in consultation with the Mayor. The Officer-in-Charge is accountable to the Mayor for provision of Police Services subject to RCMP systems, standards and policies.
- Implementing cost effective police services was identified **as an increasingly emerging need** but difficult to achieve. Towards achieving cost effective services, two elements were noted:
 1. Consider cost shared arrangements for “high cost” specialty services.
 2. Carefully define the scope and mandate of stand alone police agencies.

- Community policing and cost shared “specialty police services” on a “region-wide” basis were noted as considerations for service delivery efficiencies. As well, more and more emphasis is being given to increased civilian roles in policing.

6.0 STEERING COMMITTEE'S ANALYSIS

- The Police Services Review Steering Committee has undertaken detailed discussions with the KPMG Team with respect to their study, analysis and its findings. The Steering Committee supports the conclusions of this study and recommends that the City of Surrey continue to retain the RCMP for its Police Services

The Steering Committee believes that a unique opportunity may exist to position the RCMP Municipal Contract service such that it could offer:

- ✓ The best components of a City Police Department model
- ✓ The best components of a “Regional” police model
- ✓ The best components of a proven, highly credible nationwide police agency that the RCMP is

However, in order to achieve the above goal, the RCMP must be prepared to expediently resolve a wide range of issues. These issues are summarized as follows:

6.1 Human Resource and Recruitment Issues such as:

- authorized staffing levels
- local government involvement in the selection of Senior Officers
- consideration for enlisting recruits from the lower mainland to be assigned to this region
- relaxation of “transfer policy”, to ensure a more stable and experienced police force with a “stake” in the community.

6.2 Financial Planning Process and Reporting Issues such as:

- greater accountability for significant expenditure categories to enable municipalities to understand the value being received for the money being spent
- more accurate and timely monthly or quarterly financial information
- flexibility to provide invoices for services in accordance with the needs of the municipalities
- need to establish cost control mechanisms around general operations
- requirement for detachment commanders to function within municipal budget and procurement approval process, etc.

6.3 Local Priority Responsiveness and Service Level Issues

The primary service delivery issue is regarding the need for a more consultative process with strong “municipal say” in:

- establishing policing priorities and the setting of services level reflecting individual municipalities Council's direction; and
- development of detachment work plans and establishment of service focus areas

6.4 Mandate Issues of Senior Levels of Government

A coordinated approach by all levels of government is needed to fight organized crime and the drug trade in the Lower Mainland: It is understood that one level of government cannot by itself be responsible for the ongoing fight against organized crime. However, the municipalities are concerned about the “downloading” of federal law enforcement responsibilities to the local level. To this end, senior levels of government should be responsible for a larger share of the costs of this type of policing.

6.5 Cost Management Issues: such as:

- cost of E-Division's administrative functions
- cost of recruit training
- cost recoveries and revenues for detachment services undertaken for third parties

6.6 Better model to increase effectiveness of Police Services

In order to significantly improve the effectiveness of the RCMP Contract Police Service, a new service delivery structure may be necessary. The key objective is to deploy the appropriate delivery model for the type and scope of police service need. For example, Surrey's total police services could be re-structured from a delivery perspective as follows:

A RE-STRUCTURED DELIVERY MODEL

1.0	<u>CORE MANDATE</u>	<u>DELIVERY MODE</u>
	• Uniform Patrol	
	• Municipal Traffic	Surrey's RCMP
	• Community Policing	Detachment reflecting
	• Neighbourhood Programs	strong municipal priorities
	• School Liaison	
	• Youth & Restorative Services	
	• Community Consultative	

2 SHARED SERVICES

- Emergency Response TEAM
(ERT) (8) Partnership with other
- Tactical Troop (32) Municipalities
- Forensic Identification or
Services (11) RCMP Contract Policing
- Police Service Dog (9)

- Major Crime
- TransLink/Skytrain RCMP Contract Policing
- Marine at Regional level
- LMD: Traffic (?)

3 FEDERAL/PROVINCIAL

- Criminal Intelligence (CI) RCMP mandate
- Organized Crime Control (OCC) **and funding**
- Customs & Immigration

4 INTERNAL SERVICES

- HR; Finance; IT City Departments
Or
Centralized RCMP office

The above re-structured delivery model, although only an example, significantly improves the focus and effectiveness of the Police Services.

The Steering Committee, therefore, further recommends that a strong commitment be obtained from the RCMP to resolve the above issues. To this end, it should be clearly noted that the RCMP have already demonstrated a strong willingness to work and resolve the above issues. The review of these issues and strategies to resolve them are being undertaken by a “Lower Mainland Municipal Staff Working Group” together with senior staff from the RCMP. As well, senior staff from the RCMP have given their assurances to Surrey Council in a separate discussion. Already a number of the above issues have been resolved and their implementation is underway.

The Steering Committee's final recommendation relates to undertaking a detailed review of this contract service every 5 years. This is necessary given that this service represents the largest single sole source contract in the City. As well, a periodic review should continue to create a positive environment within which to explore new and innovative service delivery challenges and changes.

CONCLUSION

Based on the findings of the KPMG Study, this report recommends that the City of Surrey continue to deliver its Police Services through a contractual arrangement with the RCMP. It also suggest pursuing changes related to Human Resources and financial issues as well as proposes a new delivery structure and a review of this contract service every 5 years.

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for Councillor Watts, Chair,
Police Services Review Steering Committee

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