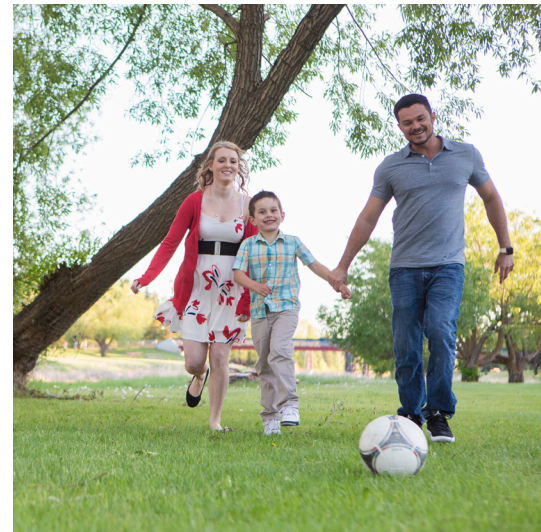


Analysis of **PwC Report** **Alberta Provincial** **Police Service** **(APPS) Transition**

January 19, 2022



Alberta
Municipalities
Strength
In Members

Executive Summary

In November of 2019, Premier Jason Kenney struck up the Fair Deal Panel, with the mandate of consulting with Albertans to gather input on how best to define and secure a fair deal for Alberta within the country. In May of 2020, the panel submitted their final report to the provincial government with a number of recommendations. These included areas of focus such as addressing the future of equalization, the possibilities of an Alberta Pension Plan, and an issue impacting all municipalities in the province – exploring an Alberta Provincial Police Service (APPS).

In October of 2021, the Government of Alberta released the independent report developed by PwC that studied the feasibility of replacing the RCMP with the APPS, including the operational needs, processes and potential transition costs. With an outline on service delivery options and proposed governance models, the PwC Report does not provide a formal stance or recommendation on a decision, but lays out a potential framework and rollout timeline.

Since the possibility of an APPS was announced, municipalities in Alberta have looked to engage with the ministries of Municipal Affairs and Justice and Solicitor General to be a voice at the table. Municipalities ranging in size have a vested interest in the future of their local law enforcement and community safety and are looking to provide their feedback and input into this process. As municipalities began to take in the PwC Report, a number of questions began to arise on the direction the province was going.

While the PwC Report provided insights into APPS governance, costs and timelines, there were certain questions that were still unasked that are vital to the process. Stakeholders involved with the APPS discussion have been narrowly focused on the cost consideration discussion. Both Premier Kenney and Justice and Solicitor General Minister Kaycee Madu have addressed cost concerns in public forums, assuring that there will be a net zero impact on municipalities. The Official Opposition Alberta NDP have also made cost considerations a main area of focus for their criticisms, openly stating their support for the RCMP and their work within the province. Municipalities, through numerous surveys and in public engagement opportunities have expressed their concern with potential costs being downloaded onto them and the certain level of mistrust of the province to uphold the net zero commitment. While APPS costs are an important piece of the equation, there are a number of other gaps that should be on the radar for stakeholders. These include governance structure service level metrics that require more clarity before a decision is made. This analysis highlights those areas of concern.

Given the reality that this is a topic of transformational change and we haven't seen a provincial police force stood up in more than 100 years – by bringing solutions to the table with provincial counterparts, municipalities across the province are in a unique position to have meaningful impacts on the conversation of future policing in Alberta.

Future State Operating Model

PwC Report's recommended service delivery model focuses on community policing and the ability to share resources, data, and intelligence across all police services and non-policing partner organizations. The PwC Report states that if Alberta were to adopt the APPS, the province would lose \$170 million in federal funding but increase the number of frontline officers and civilian specialists. Additional costs would include \$32 million for real estate leases, repairs, utilities, professional services, furnishings, and maintenance. Administration and other costs are estimated at \$72 million.

The defining characteristics of the PwC Report's proposed operating model are the following:

Enhanced Community Input & Accountability to Citizens

Stronger and more formalized local governance measures with representation from rural, urban, and Indigenous communities and supported by local Police commissions will give communities a voice in what services are delivered, how services are delivered and how police performance will be measured at a local level.

Improved Service Levels Across Rural Alberta, Indigenous Communities, & Municipalities

The proposed model will result in an increased number of frontline members of the APPS deployed in Alberta from 3,097 under the current model to 3,218 in the recommended model while reducing operating costs. The total staffing will increase to 4,189 from 4,030 as of June 2020.

Improved Efficiency, Integration, and Value for Money

The PwC Report suggests APPS can build integration points directly into the service delivery model and embed them into the organization with formal governance and dedicated resources.

Fit for Alberta Innovations

The PwC Report says that incorporating innovative, evidence-based approaches to challenges facing Albertan communities – including rural policing, mental health, opioid responses and policing in Indigenous communities – is a key part of creating a modern fit for Alberta provincial police service.

Alberta Municipalities (ABmunis) Policing Principles and identified alignment and gaps

ABmunis hosted the 2021 President's Summit on Policing as two virtual sessions on February 3 and 17, 2021. Attendees of the webinars indicated that they were in favour of improvements to RCMP governance and service levels, but the majority disagreed that an independent APPS would better meet their communities' needs than the current model. After deliberation, ABmunis chose to hold off on announcing a policy position related to an APPS following the Summit until the province released the PwC APPS Transition Report. In preparation for this announcement and any subsequent advocacy, the ABmunis Board of Directors adopted a set of principles for an APPS should one be transitioned to.

The principles include three pillars – **police governance and oversight, police service levels and policing costs**. Upon further analysis and comparison between ABmunis' provincial police service principles and the PwC Report, there are areas of alignment but also gaps. These gaps turn into areas of concern for ABmunis for any transition to an APPS and further create numerous questions that must be asked by ABmunis and answered by the Alberta provincial government.

In addition to these information gaps in the PwC report, there are many important issues that the PwC Report never does address, such as:

- Proposed changes to policing does little to impact the lack of resources for the Alberta prosecution and judicial systems, which remains the largest barrier to Alberta's "catch and release" problem.
- Why hasn't the provincial government already implemented many of the PwC suggested policing improvements, under its current policing arrangements with the RCMP, including:
 - Integration of health and family services.
 - Effective performance metrics.
 - Effective police governance and independent commission.
- Establishing Alberta policing priorities, what would be different in the APPS model compared to the RCMP arrangement? And why?
- Although Alberta policing costs may decrease by \$24 million or 3 per cent with an APPS, how is the provincial government going to address the \$170 million of lost funding from the federal government.
- How is the provincial government going to fund the \$366 million of APPS one-time transition costs?

ABmunis Policing Principle

1. Police governance and oversight

- a. An APPS must ensure that all municipalities have meaningful input into developing local policing priorities.
- b. Governance and oversight bodies for an APPS must include municipal representation at local, regional, and provincial levels.
- c. An APPS must provide regular reporting on policing priorities and outcomes to the municipalities it serves.

Alignment

The PwC Report outlines a future operating state model that focuses on Enhanced Community Input & Accountability to Citizens – a direct correlation to the ABmunis principle of ensuring an APPS model allows municipalities to bring meaningful input into developing local policing priorities. Aspects of this future operating state model focus include:

- Prioritizing community policing with local resources who are recruited and representative of their communities, with a focus on proactive problem solving and ongoing community engagement.
- Local Police Commissions to increase accountability to local community priorities and service needs.
- Rethinking how performance is measured by moving from a broad national focus to a highly tailored local community focus. This can be best achieved by developing performance metrics directly with the communities being served to truly connect the needs of the community.

With a focus on the ABmunis principle on governance and oversight bodies, the PwC Report recommends a governance structure that includes Commission-led Decision Rights.

- Commission set priorities on quantity and quality of services required. Political intervention into operations is minimized but collaboration to identify priorities and performance metrics.
- Oversight and decision authority is distributed across several executives (e.g. Commission Directors) who are representative of the citizens/communities.
- Agency is accountable to communities through board representation and additional local governance structures.
- Performance is monitored against service levels, which are tailored to customer need.
- Complemented by Local Police Commissions that are in place to collaborate with local detachments in determining how policing is provided in their local community and to agree on performance measures.

Gaps

While the PwC Report touches on the need to develop and make use of police commission and committees under governance structure, it does little to consider structures that already exist.

At a local level, communities already set up their own police committees or commissions to review performance, set goals, carry out community engagement and seek input that would result in improved service delivery and crime reduction.

ABmunis Policing Principle

2. Police service levels

- a. An APPS must establish and deliver a minimum standard of policing infrastructure, supervision, administration, and front-line services necessary to respond to calls for service and provide adequate proactive policing in all Alberta municipalities.
- b. This minimum standard must exceed current RCMP performance.
- c. The GOA must create, with input from municipalities, metrics to demonstrate that the minimum standard is being met or exceeded in all Alberta municipalities.
- d. The GOA must publicly share reporting on APPS performance.

Alignment

An ABmunis principle focus on metrics to demonstrate the minimum standard is reflected in the governance model recommendation on Performance Metrics and Locally Determined-Priorities – in which the framework suggests local detachments and Police Commissions should collaborate to establish performance metrics and measures for service in their local area. The PwC Report goes as far as to outline specific metrics as well, focusing on dimensions of police work which provide a solid foundation for defining performance metrics for individuals, units and the organization to drive continuous improvement and accountability of outcomes.

These dimensions are:

- Public confidence and trust in police services.
- Engagement with the community and police community partnerships.
- Reduction in Crime & Victimization.
- Offenders called to account (through prosecution, restorative justice, alternative measures etc.).
- Reduced fear & enhanced sense of personal security.
- Civility in public spaces.
- Use of authority or force fairly with appropriate oversight from civilians and communities.
- Effectiveness and efficiency of use of financial resources.

Gaps

When it comes to the ABmunis principle of a requirement of the GOA to publicly share reporting on APPS performance, there is an identified gap. The PwC Report outlines the work of the Transition Management Office (TMO) within the transition roadmap as one of the nine key elements. The goal of the TMO is to oversee and manage the transition project, escalate risks and issues and provide critical reporting to leadership and key stakeholders. However, there's little additional information on reporting requirements with no commitment to public reporting.

When it comes to Improved Service Levels Across Rural Alberta, Indigenous Communities, & Municipalities – the proposed model will result in an increased number of frontline members of the APPS deployed in Alberta from 3,097 under the current model to 3,218 in the recommended model while reducing operating costs. The total staffing will increase to 4,189 from 4,030 as of June 2020. The PwC Report states that rethinking what resources are needed and how those resources are deployed to be more responsive to service calls across Alberta will allow the APPS to increase the number of regular members in communities across Alberta and be more flexible in meeting the needs of each specific community.

ABmunis Policing Principle

3. Policing costs

- a. Municipalities must not bear any of the costs associated with implementing and transitioning to a provincial police service.
- b. Police funding must be based on the principles of fairness, transparency, and predictability.
- c. The GOA must fill the funding gap associated with the loss of federal funding for using RCMP services.
- d. Municipal policing costs for an APPS must not exceed the current RCMP policing costs.
- e. All municipalities must pay an equitable share of policing costs for the minimum standard of policing.
- f. Municipalities must retain the ability to negotiate contracts with an APPS. Municipalities requesting contract enhancements, e.g. additional dedicated officers or staff, would be responsible for paying the additional cost of providing these.

Alignment

Identified in the PwC Report under a future state operating model is a key element to Improved Efficiency, Integration, and Value for Money. This is in alignment with the ABmunis principle of a policing funding model passed on fairness, transparency, and predictability. This key element outlines a focus on integrating other services to maximize Alberta's resources through efficient and cost-effective partnerships, as well as:

- Embedded operational competencies and integrations aligned with other provincially delivered services including health care, family and community services, mental health supports, education, and addictions treatment.
- Integrating with other police services in the province with shared data, real time communications, shared training facilities and standards, and responses to reduce duplication of investigations and expanding the role of ALERT in Alberta.
- Leveraging existing expertise and infrastructure in Alberta to provide lab services, specialized operations, training, and civilian expertise specialist fields such as financial crime or cyber-crime to allow members of the police to focus on proactive community policing and improving service levels.
- Utilizing existing government of Alberta technology, infrastructure and processes to maintain economies of scale, reduce infrastructure investment costs and be more efficient in-service delivery for enabling functions.

Gaps

Many stakeholders are not convinced that the costing outlined in the PwC Report is accurate as presented.

- A clear example of this is the lack of detail as it pertains to capital costs, with questions such as how will pensions for the existing RCMP members transition over to APPS and at what cost, how will current non-billable costs and the current federal funding be absorbed. This includes a lack of consideration for recently agreed upon pay increases for RCMP officers.
- In the past, programming and services provided by the province that started out as a minimal cost to municipalities became an increasing burden to many municipalities as funding never increased and further costing and service expectations were downloaded with no recourse or input. The PwC Report does not address these past instances or have commitments in place to ensure they do not occur again.
- The RCMP have also highlighted gaps with consolidated services and non-billable costs – such as human resource management, corporate management, communications are paid through the divisional administration charge, which allows these costs to be consolidated and shared amongst all contract partners.

Potential questions for conversations

The Ministry of Justice and Solicitor General will be touring the province, presenting the findings and outcomes of the PwC Report. Given the number of information gaps and lack of transparency in the PwC Report, it is important that municipal leaders look for answers to the following questions:

Financial

- Given that the province has stated that there will be no net financial impact to municipalities, how will the increase in costs be covered, and how will you guarantee that municipalities will not shoulder a greater burden in the future?
- Considering the loss of federal grants, how will funding for a new police service be structured, and will the provincial government look at changing how PPSA and/or MPSA fund policing?
- What will be done to achieve reduced operating costs while the overall staffing levels are going up?
- How will cost over runs during the transition process be mitigated?
- Have training costs been included in the forecasting, especially since many RCMP officers do not transition over to provincial police services and there is extensive training that needs to be completed?
- The PwC Report notes 65 new FTEs of health, family and social work professionals. Will they be those who have roles in the various systems or are these NEW FTEs that will fall under the umbrella of the APPS?
- When considering economies of scale, will the APPS be able to purchase goods and services at the same or better cost than the RCMP?
- Has the province considered insurance and liability costs for potential class-action lawsuits?

Logistics

- How many officers do you anticipate will transition from the RCMP in Alberta to a new APPS and how did you come up with those numbers?
- How will the new APPS work with the RCMP on cross-jurisdictional issues and current joint ventures?
- Considering that many police services are having troubles with recruitment, are you confident that you can recruit enough members for the transition and why? Do you have a backup plan?
- When will details on training programs be shared? Info such as – where will training be provided, who will lead training programs, will new APPS training compliment training already available or will it be an entirely new program, will training be available to those just beginning their policing education journey as standalone training?
- Will the creation of an APPS create barriers for municipalities that may consider a transition to their own municipal police force? Do the cost/benefit projections account for the possibility of some municipalities exploring municipal police forces in place of APPS?

Engagement and Options

- What work has been done to evaluate the ability of the RCMP to adjust to meet the core values, innovations, and outcomes the GoA is seeking?
- What is the province's engagement plan for first nations and indigenous communities/people?
- What conversations have been had with standalone police services regarding shared training facilities and other services? Are those services amicable to the idea?
- When it comes to the balance of power, would existing Local Police Commissions relinquish or lose powers to the newly established Provincial Police Commission (PPC)?
- When the PwC Report discusses priorities being set by a local police commission, there are no clearly defined roles and guidelines for the different commissions. Are the broader goals entrenched through the PPC and mandated downward?
- Will municipalities over 5,000 in population still have MPSA arrangements?

Accountability

- The PwC Report says that there will be continuous evidence-based improvements to service. How will this be achieved and measured?
- When it comes to service levels metrics and reporting, how are the proposed service level metrics different from existing ones and how will it be publicly shared?
- Will the province commit to holding a referendum before a final decision is made, and what is the timeline for that?
- What role will municipalities have in setting APPS priorities and direction?
- The provincial narrative has evolved to now identifying that the federal government has indicated that it wants to have the RCMP exit community policing. If so, what conversations has the provincial government had with its federal counterparts?



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