

# MOPAC MPS Oversight Board

## 12 March 2021

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### MPS Risk Management Overview

Report by: Chief of Corporate Services

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#### 1. Purpose of this Paper

The purpose of this paper is to provide assurance to the Deputy Mayor on the increased maturity of risk management within the MPS.

#### 2. Recommendations – that the Oversight Board:

- a) Note the paper;
- b) Consider Risk and Assurance as a standing (annual) item at future Oversight Boards (item listed on future agendas).

#### 3. Information for Consideration

3.1. Police officers and staff manage risk day in day out. The Met's risk management statement outlines Management Board member's commitment to effective risk management to underpin and support our vision.

3.2. The statement has three elements:

##### **Leadership**

"Our leaders will drive a culture of responsible risk taking and encourage officers and staff to be innovative in their solutions"

##### **Awareness and Skills**

"All our people will have an awareness and understanding of the risks that affect our customers, our colleagues and our delivery"

##### **Framework and Approach**

"Clear processes will exist that enable the escalation of risk, facilitate decision making and provide assurance to Management Board"

- 3.3. Over the last three years, the focus on corporate risk has increased. The Risk and Assurance Board meets quarterly and is the main (but not exclusive) forum in which the Met Management Board considers risk. It is responsible for monitoring the significant risks to the delivery of the Met Direction and proposing adjustments to address these and gaps in delivery. MOPAC's Chief Executive and the Head of Internal Audit attend Risk and Assurance Board.
- 3.4. Every March the Management Board commissions an annual review of corporate risk in line with refreshed objectives (which involves interviewing all members of Management Board and a number of Level 2 leaders). The findings are presented for discussion at the June board where potential risks are discussed and, if agreed, defined and risk owners appointed or if appropriate, remitted to another board. All risk owners must now identify a 'target' position and date by which it should be met.
- 3.5. MPS risks are identified as either short-term or long-term. Short-term risks are defined as risks of immediate concern. Some are rendered more acute by a number of existing issues identified in various parts of the organisation - or have the potential to manifest within the next 12 months. The application of quick, robust and strong preventative controls are key to managing these risks. There is an expectation these risks have well-defined and effective controls in place quickly so as to ensure movement on risk trend and score towards the target position (and potentially moved out of the corporate risk register).
- 3.6. Long-term risks are defined as those that are of most concern to the delivery of the strategy out to 2029. The preventative controls for these risks may require more innovation or investment, and movement towards the target position may be slower.
- 3.7. Risk and Assurance Board has developed and the quality of discussion, test and challenge on corporate risks is supported by changes to the reporting templates. The focus is now on the controls and the progress to implement them. Where progress is considered to be anything other 'on track' to meet the target score by the target date, risk owners are held to account and challenged on their actions to manage the risk. In addition, emerging risks are also considered.
- 3.8. The risks on the current corporate risk register were opened in June 2020.
- 3.9. All papers that are submitted to Management Board must now have a cross-reference with any relevant corporate risk; where there is no link apparent, we use this to identify a potential gap, which is explored and a risk raised if necessary.

- 3.10. Over the course of the last quarter all the current corporate risks have been discussed by Management Board, again with a focus on controls and how Board can control and manage risk.
- 3.11. The Met / MOPAC Joint Audit Panel considers our strategic risk management (and indeed our response to audits) each quarter.
- 3.12. Risks identified through internal audits are reviewed by Board members; they oversee the progress of activity to deliver an appropriate response to all high-risk actions from DARA's audits, as well as the medium-risk actions of any audit receiving a "limited" grading and hold leads to account for delivery. Responsibility for monitoring implementation of all other lower risk actions sits with leaders locally.
- 3.13. A significant amount of work has been done over the last year (and this continues) to reduce the number of outstanding DARA actions and therefore address the risks identified in the audits. To ensure a continued focus on audits with a limited grading, all leads for limited audits provide Risk and Assurance Board with a one-page brief. This details current and planned activity to address the risks and recommendations from the audit and to provide assurance to board on the way ahead for this area.
- 3.14. Bi-annual reports from the Health, Safety and Wellbeing Board and considered by Risk and Assurance Board. Significant health, safety and wellbeing risks are reviewed to ensure they are effectively controlled and that the framework within which they are managed is still rigorous.
- 3.15. The framework for Business Continuity management is also reviewed bi-annually. Risk and Assurance Board reviews significant business continuity risks to ensure that these are also being effectively controlled and that the framework for business continuity provision is cross-cutting and operating effectively.

#### **4. Equalities and Diversity Issues**

- 4.1. Diversity and inclusion are considered in full as part of the Met's discussions on risk and assurance, this paper provides reassurance only on the whole process rather than individual elements.
- 4.2. Individual control owners are responsible for ensuring the work to prevent and mitigate corporate risk has a positive race and diversity impact.

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