



MOPAC

MAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

MPS-MOPAC JOINT AUDIT PANEL

Monday, 2 October 2023, 14:00

New Scotland Yard – Room G1

Membership

Jayne Scott (Chair)
Sam des Forges
Jon Hayes
Ros Parker
Marta Phillips

Attendees

MOPAC

Diana Luchford, Chief Executive Officer
Lisa Kitto, Interim Chief Finance Officer and Director of Corporate Services
Kenny Bowie, Director of Strategy and MPS Oversight
James Bottomley, Head of Oversight and Performance

MPS

Clare Davies, Chief People and Resources Officer
Michelle Thorp, Director of Transformation and Temporary Director of Strategy and Governance
Alexis Boon, Deputy Assistant Commissioner, Performance and Insight
Annabel Scholes, Chief Finance Officer
Hester Warner, Secretariat and Governance Lead

Audit Representatives

External Audit Grant Thornton – Mark Stocks, Parris Williams
Internal Audit – Julie Norgrove, Head of Internal Audit MOPAC and MPS; David Esling;
Lindsey Heaphy

Business to be considered

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**The next meeting of the Audit Panel is
scheduled to be held on 15 January 2024**

MPS-MOPAC JOINT AUDIT PANEL

2 August 2023

Record of the Meeting

PRESENT

Panel:

Jayne Scott – Audit Panel Chair
Sam des Forges – Member
Jon Hayes – Member
Ros Parker – Member
Marta Phillips – Member

MPS:

Sir Mark Rowley, Commissioner (items 1-3)
Alexis Boon, Deputy Assistant Commissioner – Performance and Insight (items 1-3)
Clare Davies, Chief People and Resources Officer
Michelle Thorp, Director of Transformation and Temporary Director of Strategy and Governance
James Hunter, Head of Strategic Planning and Risk
Annabel Scholes, Interim Chief Finance Officer
Ian Percival, Director of Finance

MOPAC:

Diana Luchford, Chief Executive Officer
Amana Humayun, Chief Finance Officer and Director of Corporate Services
Lisa Kitto, Interim Chief Finance Officer and Director of Corporate Services
Kate Lloyd, Head of Policing Policy

Audit Representatives:

Julie Norgrove, Head of Internal Audit for MPS and MOPAC
David Esling, Head of Audit and Assurance, Internal Audit
Lindsey Heaphy, Head of Audit and Assurance, Internal Audit
Mark Stocks, Grant Thornton, External Audit
Parris Williams, Grant Thornton, External Audit
Jasmine Kemp, Grant Thornton, External Audit

1. APOLOGIES FOR ABSENCE, INTRODUCTIONS AND DECLARATIONS OF INTERESTS

- 1.1 The Chair welcomed everyone to the meeting and noted that it was the first meeting of the joint Audit Panel following the appointment of a new Chair and three new members.
- 1.2 Apologies were noted from Kenny Bowie, Director of Strategy and MPS Oversight (MOPAC); and James Bottomley, Head of Oversight and Performance (MOPAC).

1.3 Jon Hayes advised that he was now a member of the Financial Reporting Council Advisory Panel.

2. AUDIT PANEL TERMS OF REFERENCE AND WAYS OF WORKING

2.1 The Chair introduced the item, outlining that it was an opportunity for an initial discussion on how the Panel could operate most effectively going forward and to review the Panel's Terms of Reference.

2.2 Diana Luchford advised that she supported the ways of working outlined in the paper and sought clarification on the Panel's need to 'meet privately as necessary' as set out in paragraph 1.1. She noted that Audit Panel papers were published and asked how public accountability would be met on those occasions. The Chair noted it was usual for Audit Panels to occasionally meet privately outside of the usual business meeting cycle to reflect on issues or to meet with internal and external auditors. It was not intended to avoid transparency. The paper will be amended to explain the purpose of these further meetings. [Note: Paper amended]

2.3 The Panel noted that the Terms of Reference did not cover the review of annual accounts and considered this would provide valuable context for when it considered the reports of the External Auditors. It agreed that this should be added to the Terms of Reference.

2.4 The Panel further noted that the Terms of Reference set out that one of its responsibilities was around health and safety and asked if there were other statutory frameworks that should be included. It was agreed that the Panel's responsibilities should be clarified and will be considered in confirming the Terms of Reference.

2.5 Michelle Thorp appreciated that the paper recognised that the MPS was going through a significant transformation. She offered joint secretariat support for the Panel and stated the MPS would reflect further on the paper and provide any further feedback to the Chair.

Action 1: Reviewing the annual accounts to be added to the proposed Terms of Reference.

Action 2: The MPS and MOPAC to provide any further comments on the Terms of Reference and ways of working paper to the Chair.

Resolved: The joint Audit Panel noted the points made in discussion and would amend the proposed Terms of Reference as appropriate.

3. NEW MET FOR LONDON PLAN

3.1 The Commissioner advised that the New Met for London was an enormous and profound change programme that needed to be undertaken at pace and discussed the three priorities for reform:

- Community crime-fighting – cutting crime, rebuilding trust and restoring its bond with communities.
- Culture change – embedding values of policing by consent, being a police service that does not discriminate and better reflects the diversity of the city it serves.
- Fixing its foundations to set up its people to succeed.

- 3.2 The Chair noted that the Panel aimed to prioritise its work to support the MPS in its transformation and to contribute to the areas where it can add the most value.
- 3.3 Alexis Boon advised the MPS was working closely with MOPAC to align the performance data being measured to track progress with the transformation. The MPS was looking at the experiences of Londoners at a granular level, recognising that different communities and areas had different outcomes and levels of trust and confidence. This would be reflected in the MPS approach, and performance data would support local tasking and delivery. Internal assurance mechanisms for performance were also being developed.
- 3.4 Michelle Thorp noted that the Plan addressed the findings from a root cause analysis conducted by the MPS, and not just the symptoms.
- 3.5 The Panel noted that the Plan was very ambitious and probed its deliverability, reflecting that it could further negatively impact trust and confidence if not delivered in the timeframes outlined. The Commissioner noted that he had communicated publicly that change and progress would be seen, but had not put a date on delivery. Nothing could be removed to make the transformation a more manageable size – all pillars needed addressing.
- 3.6 The Panel asked if the MPS had the baseline data in order to track improvements. Alexis Boon advised that they are clear on where the MPS was now and where they were aiming for in terms of performance. The Commissioner clarified they had the data relating to crime, but more was needed on disproportionality and culture issues. Alexis Boon offered to provide more detail in a follow-up meeting with the Panel.

Action 3: A separate session to be arranged for Alexis Boon to brief the Panel on the MPS performance framework.

Resolved: The joint Audit Panel noted the report.

4. RECORD OF THE MEETING HELD ON 27 MARCH 2023

- 4.1 The record of the meeting held on 27 March 2023 was agreed. The completed actions were noted.

5. EXTERNAL AUDIT UPDATE

Auditor's Annual Report 2021/22

- 5.1 Mark Stocks introduced Grant Thornton's Annual Report for MOPAC and the MPS for the period 2021/22. It provided an unqualified opinion on the financial statements for both MOPAC and the MPS, and raised had no significant concerns.
- 5.2 It also included the value for money opinion and an assessment of arrangements to secure economy, efficiency and effectiveness in the use of resources. In summary, across the three criteria of financial sustainability, governance, and improving economy, efficiency and effectiveness, Grant Thornton identified four significant weaknesses and made five key recommendations.
- 5.3 Mark Stocks highlighted the following issues:

- In respect of the budget, MOPAC and the MPS may need to find a different way of reporting its assumptions regarding the potential funding from the Government's Police Uplift Programme.
 - Areas needing significant change included trust and confidence and vetting.
 - The trajectory for improvement and that it is being monitored.
 - The importance of the Command and Control and CONNECT IT programmes.
- 5.4 Grant Thornton intend to complete the 2022/23 Annual Report within more prompt timescales than 2021/22 and in line with statutory timescales.
- 5.5 Amana Humayun was supportive of the findings and had discussed them with Grant Thornton and understood why they were included. She outlined:
- Financial sustainability – the MPS is aware of the issues raised regarding the use of reserves, the Police Uplift Programme and the capital programme. She was confident that there was meaningful work underway to address them.
 - Governance – MOPAC needed to crystallise for the public the respective oversight roles of all the bodies such as MOPAC, the joint Audit Panel, the London Policing Board, and how they could be assured that the governance was effective.
 - Improving economy, efficiency and effectiveness – there would be a focus on value for money regarding the Command and Control and CONNECT IT programmes, noting these were critical to MPS performance – rather than being transformational.
- 5.6 Ian Percival advised the MPS accepted the recommendations. The level of reserves reflected a period of budget growth in the past three years, more would now be used due to budget pressures and to meet costs of implementing the New Met for London plan.
- 5.7 Michelle Thorp advised that the MPS was in a period of evolution, with a new executive team and governance structure. Each area in the New Met for London plan had to be supported by a mandate which was achievable and deliverable, noting that it was, by necessity, an ambitious plan. There was a cohesive set of controls regarding deliverability, with the executive getting assurance on what would be achieved. Extra caution was being taken with drop 2 of CONNECT, which had been delayed until 2024.
- 5.8 Given the cultural issues recognised by the MPS, the Panel queried the rationale for rebutting the risk relating to revenue being misstated, which the report gave as the culture and ethical frameworks of policing authorities. Mark Stocks advised that the issues identified in the Baroness Casey Review were not related to areas of finance. Grant Thornton had not seen any cultural or ethical issues relating to finance teams.
- 5.9 Mark Stocks advised that actions to address their recommendations were followed up each year, where progress or completion was recorded and set out in Appendix C of the Report.
- 5.10 There was a discussion of the implementation of recommendations more widely, with Michelle Thorp noting the Enterprise-wide View of Change covered all MPS projects underway and all recommendations from the oversight and review bodies. The recommendations were being addressed by being aligned to particular projects. The Chair noted the Panel would want to ensure it was receiving appropriate information to gain assurance on the timely implementation of recommendations. It was agreed this would be discussed as part of a wider discussion on assurance.

- 5.11 There was a discussion on the use of reserves, with Mark Stocks noting that the 2022/23 budget reflected a £124m use of reserves and highlighting the risk arising from reserves being used to fund an underlying budget deficit.

Joint Audit Plan 2022/23

- 5.12 Mark Stocks advised that the Grant Thornton team was currently on site, undertaking the 2022/23 audit, with the expectation that it would be completed by the end of September 2023. Parris Williams advised that the reporting was in line with statutory deadlines. He raised two particular areas of risk – property evaluations and pensions.
- 5.13 The Chair asked for the Panel to be kept informed of any emerging issues by Grant Thornton.

Action 4: The Panel and the MPS to agree reporting to the Panel on the implementation of recommendations made by oversight and review bodies to give the necessary assurance on action taken to address areas of improvement identified.

Resolved: The joint Audit Panel noted the two reports from Grant Thornton.

6. MOPAC AND MPS ANNUAL GOVERNANCE STATEMENTS AND GOVERNANCE IMPROVEMENT PLANS

MOPAC Annual Governance Statement and Governance Improvement Plan

- 6.1 The MOPAC AGS concluded '*MOPAC has an adequate system of internal control, which facilitates the effective exercise of its functions*'.
- 6.2 Diana Luchford introduced the report which provided the draft 2022/23 Annual Governance Statement (AGS), an overview of MOPAC's approach to governance going forward, an outline of the key areas of improvement and the actions in place to address them. The Governance Improvement Plan (GIP) reflected fundamental changes to MOPAC's oversight of the MPS and corporate functions had been strengthened to support this work.
- 6.3 The Panel was advised that, at a strategic level, MOPAC's focus was on maintaining the improved relationship with the MPS, implementing the revised oversight arrangements and the Mayoral election in May 2024. A new Police and Crime Plan would need to be developed in 2024 and there was a focus on ensuring that MOPAC had appropriate capacity and capability across the organisation.
- 6.4 The Chair noted that, as the Panel was new, it was difficult for it to comment in detail on the GIP at this stage, and asked how the Panel could support MOPAC in its priorities for 2023/24. Diana Luchford noted MOPAC would welcome advice on the Panel's views on any areas of best practice. Diana Luchford also updated the Panel on the data breach that had recently occurred on the GLA website relating to personal information submitted to MOPAC, advising that a great deal of work had been undertaken in MOPAC to address the breach and further strengthen internal data governance.
- 6.5 The Chair advised that she was a member of the Information Commissioner's Office's Audit Committee but noted there was no conflict with this agenda item.

- 6.6 Jon Hayes noted that the Baroness Casey Review report had described the relationship between the MPS and MOPAC at times as dysfunctional and asked how the Panel could help with that. Diana Luchford agreed the review had found that the MPS held MOPAC at bay and that there had since been a great deal of progress in the relationship between the MPS and MOPAC. It would be helpful to have the Audit Panel's support in seeking assurance on the MPS implementing DARA recommendations and other areas of improvement, and ensuring the work of DARA was taken seriously, following observations made by Baroness Casey.
- 6.7 There was a discussion on the relationship between the MPS's Risk and Assurance Board (RAB) and the joint Audit Panel in respect of DARA recommendations. Clare Davies advised there had been a step change in the work of RAB in overseeing the implementation of all recommendations and the effectiveness of controls for managing key strategic risks. MPS had improved its monitoring as well making decisions on whether to accept all recommendations or the identified risk.
- 6.8 There was a wider discussion regarding the role of the Panel in relation to the revised oversight arrangements and the London Policing Board. It was agreed that further discussion would take place with the Chair to explore the relationship between the various boards.
- 6.9 Sam des Forges noted that strengthening an organisation's ability to learn lessons was the way to move away from a lot of reviews and recommendations. Michelle Thorp advised that the MPS was now taking a systematic approach to lessons learnt.

Action 5: The MOPAC governance improvement plan and progress report to be reported to the next Panel meeting.

Action 6: The Chair would discuss with MOPAC the revised oversight arrangements.

Resolved: The joint Audit Panel noted MOPAC's draft AGS and the improvements being made in MOPAC governance through the Governance Improvement Plan.

MPS Annual Governance Statement and Governance Improvement Plan

- 6.10 The MPS AGS concluded '*The MPS has a limited system of internal control that facilitates the effective exercise of the Commissioner's functions.*' Noting, '*The MPS governance framework and arrangements can provide a basic level of assurance but even if all areas were effective it would not element all risks.*'
- 6.11 Michelle Thorp presented the report providing an update on the MPS's GIP arising from the 2021/22 AGS. This work was now being progressed through the New Met for London plan. Business Planning was a key feature in establishing the right foundations for the New Met for London plan. Review activity had informed the AGS and improvement plans.
- 6.12 James Hunter advised that there was a new, more strategic approach to the GIP. The aim was to have, by autumn, stronger foundations for governance, and better processes in the plan.
- 6.13 The Chair noted that there appeared to be a lot of actions rolled-over from the last GIP, and the challenge was to ensure they are implemented if still relevant. Michelle Thorp gave assurance that genuine change had been made, giving as an example the storage of property and evidence.

Action 7: The MPS Governance Improvement Plan and progress report to be submitted to the next Panel meeting.

Resolved: The joint Audit Panel noted the MPS's draft AGS and the progress it had made in governance improvement in the recent quarter.

7. MOPAC AND MPS INTERNAL AUDIT ANNUAL REPORT 2022/23

7.1 Julie Norgrove introduced the Internal Audit Annual Report for 2022/23 for MOPAC and the MPS. The report contained the annual opinion on the effectiveness of the respective internal control environments concluding that:

- *'MOPAC has an adequate internal control environment supporting achievement of its strategic objectives, which generally operated effectively with enhancing oversight governance a priority for the coming year'.*
- *'The MPS internal control environment is limited in its effectiveness in supporting the achievement of strategic objectives'. Noting, 'As the Met undergoes significant transition, the need for effective governance has increased. This includes the wider control environment, which currently lacks maturity and cohesion in its ability to oversee the development and performance of internal control across the organisation.'*

7.2 Julie Norgrove noted that the key areas of improvement for MOPAC and the MPS were highlighted in the report in support of each opinion and they had informed the respective improvement plans. MOPAC's main focus was on implementing the revised oversight arrangements, maintaining the improved relationships between MOPAC and the MPS and increasing efficiency of core processes. The underlying strategic issues for the MPS previously highlighted by DARA had contributed to a number of the findings and conclusions reported by external reviews and have informed the New Met for London plan. Key issues continue to include increasing risk maturity across the MPS and the effectiveness of assurance provision, which need a cohesive framework supported by effective business planning and performance management and capacity and capability.

7.3 The Chair asked the MPS how it intended to improve its control environment given the assessment of limited effectiveness. Clare Davies anticipated that the work they are currently doing and the New Met for London plan would achieve the improvement. Michelle Thorp advised that there would be a public statement on progress following the follow-up review to the Baroness Casey report, plus the Policing Performance Oversight Group reviewing the MPS's progress on addressing the issues raised by the His Majesty's Inspectorate of Constabulary and Fire and Rescue (HMICFRS) Engage process.

7.4 Jon Hayes noted the limited assurance opinion was due to weaknesses highlighted in the annual report, which had been raised previously and not properly addressed and were subsequently reflected in the Baroness Casey Review findings and HMICFRS reports. The solution was to address those concerns and the underlying strategic issues, including those that related to risk management and assurance provision.

Resolved: The joint Audit Panel considered the Internal Audit Annual Report of the Director of Audit, Risk and Assurance and noted the opinion on the adequacy and effectiveness of the MOPAC and the MPS internal control environments.

8. MOPAC AND MPS INTERNAL AUDIT PLAN 2023-24

- 8.1 Julie Norgrove introduced the proposed MOPAC and MPS Internal Audit Plan for 2023/24. The plan had been developed in consultation with the MPS and MOPAC and in support of agreed policing priorities and objectives, and would enable the Head of Internal Audit for MOPAC and the MPS to form an annual opinion. The draft Plan included key reviews of the revised MOPAC oversight governance arrangements and MPS governance, which would include reviewing capacity and capability to support the required changes to business planning, risk management and assurance provision. There was also an increased focus on advisory work, as the MPS undergoes transformational reform. It was a dynamic plan to be regularly reviewed to respond to any key emerging risks.
- 8.2 Ros Parker asked if there was any risk in delivering the plan due to resourcing issues. Julie Norgrove advised that DARA had a full complement of auditors with two temporary appointments and a successful graduate training programme in place.
- 8.3 Michelle Thorp noted that DARA had been responsive to the feedback given by the MPS at Risk and Assurance Board when developing the Internal Audit Plan, noting that it was indicative and would change during the year. Clare Davies noted the Plan had not yet been through final MPS governance, the Commissioner had not yet approved it, but that she did not anticipate any major change.
- 8.4 There was a discussion on the approval of the plan with the Chair and Panel, noting the plan provided an appropriate level of coverage and that it would be subject to review and change during the year.

Resolved: The joint Audit Panel approved the proposed 2023/24 Internal Audit Plan for MOPAC and the MPS, noting that it may be subject to further review and change during the year.

9. MOPAC AND MPS RISK MANAGEMENT QUARTERLY REPORTS

- 9.1 The Chair noted that the new Panel needed to have a deeper understanding of the MPS and MOPAC risk management before it could form an informed opinion on the effectiveness of current arrangements. This meeting focused on a high-level discussion on risk and there would be a more detailed discussion at the next meeting.
- 9.2 Michelle Thorp advised that the MPS had a changed approach to risk in light of the New Met for London plan. By the October meeting, the MPS would have completed a revised risk assessment. The quality of the risk conversation was as important as risk registers, and the MPS was focussing on improving that. There was also training for senior managers on risk management.
- 9.3 It was noted that MOPAC and the MPS were also undertaking work to align their respective strategic risks.
- 9.4 There was a discussion of the advisory work that the Panel members had offered based on their areas of expertise and experience, and how the MPS and MOPAC could harness that. The Chair suggested that Panel members could be approached directly if they have offered support on a particular subject, or through herself or the secretariat especially in respect of other requests for support.

Resolved: The joint Audit Panel noted the MOPAC and MPS risk update reports.

10. AOB

10.1 The next meeting is scheduled for 2 October 2023.

Actions from 2 August 2023

Ref	Actions	Status
1	Reviewing the annual accounts to be added to the proposed Terms of Reference.	Agenda item 3
2	The MPS and MOPAC to provide any further comments on the Terms of Reference and ways of working paper to the Chair.	The <i>Ways of Working</i> paper has been amended to take account of comments made at the last meeting to clarify when the Panel may meet outside of the formal meetings.
3	A separate session to be arranged for Alexis Boon to brief the Panel on the MPS performance framework.	Arranged for 26 September
4	The Panel and the MPS to agree reporting to the Panel on the implementation of recommendations made by oversight and review bodies to give the necessary assurance on action taken to address areas of improvement identified.	In progress
5	The MOPAC governance improvement plan and progress report to be reported to the next Panel meeting.	Agenda item 8
6	The Chair would discuss with MOPAC the revised oversight arrangements.	Joint Audit Panel Chair has discussed with the DMPC and the MOPAC CEO, particularly in the context of setting up the London Policing Board and the role for the Panel to report to the Board when established. Further consideration to be given to the detailed reporting arrangements in due course.
7	The MPS Governance Improvement Plan and progress report to be submitted to the next Panel meeting.	Agenda item 9

MOPACMAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

MPS-MOPAC JOINT AUDIT PANEL

2 October 2023

MPS-MOPAC Joint Audit Panel Terms of Reference and Forward Agendas

Report by: Chair of the MPS-MOPAC Joint Audit Panel

Report Summary

Overall Summary of the Purpose of the Report

To approve the amended Terms of Reference and agree the draft agendas for the January and April 2024 meetings.

Key Considerations for the Panel

The Panel will want to be satisfied that the work plan will enable it to discharge its responsibilities, as set out in its Terms of Reference. An annual work plan will be submitted to the April 2024 meeting.

Interdependencies/Cross Cutting Issues

The work plan will set the agenda and reporting requirements for MOPAC and the MPS for its next two meetings.

Recommendations

The Joint Audit Panel is recommended to consider and agree the revised Terms of Reference and the draft agendas for the January and April 2024 meetings.

1. Supporting Information

- 1.1 The Joint Audit Panel, MPS and MOPAC considered the Panel's Terms of Reference at its 2 August 2023 meeting. It agreed that reviewing the annual accounts should be added and that a check be made to ensure that all of the Panel's responsibilities regarding statutory frameworks were included. The MPS and MOPAC were invited to provide any further comments on the Terms of Reference.
- 1.2 The Terms of References attached as Appendix 1 have been amended in line with that 2 August discussion. No additional suggested changes were received from the MPS and MOPAC.
- 1.3 The draft agendas for the Panel's next two meetings are proposed in Appendix 2. The Panel wishes to focus on critical areas where they can add the most value. There is the ability for the agendas to be amended to reflect any emerging issues.
- 1.4 It is proposed that at the Panel's April 2024 meeting, an annual work plan will be considered.

3. Equality and Diversity Impact

There are no immediate equality and diversity implications arising from this report. However, the Audit Panel has a remit to satisfy itself on behalf of the Deputy Mayor for Policing and Crime and the Metropolitan Police Commissioner that an efficient and effectively performing framework is in place to discharge statutory requirements for equalities and diversity and to ensure continual improvement.

4. Financial Implications

There are no immediate financial implications arising from this report.

5. Legal Implications

There are no direct legal implications arising from this report.

6. Risk Implications

There are no immediate risk implications arising from the report. However, the Audit Panel has a remit to advise the Deputy Mayor for Policing and Crime and the Metropolitan Police Commissioner on the effectiveness of their respective risk management frameworks.

7. Contact Details

Report author: Sarah Egan, MPS Oversight and Governance Officer, MOPAC

8. Appendices and Background Papers

Appendix 1: Draft Audit Panel Terms of Reference

Appendix 2: Draft agendas for January and April 2024 meetings

MOPAC and MPS Joint Audit Panel

TERMS OF REFERENCE

Composition of the Panel

The joint Audit Panel comprises a Chair and four members, who are independent of the Mayor's Office of Policing and Crime (MOPAC) and the Metropolitan Police Service (MPS). Where it is considered that specialist skills are required, the Panel is able to seek approval from the Deputy Mayor Policing and Crime (DMPC) and Commissioner to add to the membership accordingly.

Representatives of the MOPAC Board and the MPS Management Board are required to attend the formal meetings of the Panel. Attendees are to include:

- MOPAC: Chief Executive; Director of Strategy and MPS Oversight; Chief Financial Officer.
- MPS: Chief People and Resources Officer; Chief Strategy and Transformation Officer; Chief Finance Officer; Head of Strategic Planning and Risk Strategy; DAC Met Operations.

Also attending each meeting will be the Head of Internal Audit for MOPAC and the MPS, and a representative of external audit.

Purpose

The joint Audit Panel is responsible for enhancing public trust and confidence in the governance of MOPAC and the MPS. It also assists MOPAC in discharging statutory responsibilities in holding the MPS to account, and in delivery of the Police and Crime Plan (PCP) and the transformation of the MPS. This is achieved by;

- Advising the DMPC and the Metropolitan Police Commissioner according to good governance principles.
- Providing independent assurance on the adequacy and effectiveness of the MOPAC and MPS internal control environments and risk management frameworks.
- Overseeing the effectiveness of the frameworks in place for ensuring compliance with statutory requirements in health and safety; and inclusion, diversity and equalities.
- Independently scrutinising financial and non-financial performance to the extent that it affects the MOPAC and MPS exposure to risks and weakens internal control.
- Overseeing the financial reporting process.

Objectives

The Audit Panel has a rolling programme of meetings, typically meeting four times a year (March, July, October, January). In effectively discharging its function it is responsible for:

Internal Control Environment and Governance Framework

- Satisfying itself as to the effectiveness of the internal control framework in operation within MOPAC and the MPS and advising the DMPC and Metropolitan Police Commissioner as appropriate.
- Considering the Annual Governance Statements together with associated action plans for addressing areas of improvement and advising MOPAC and the MPS as appropriate.

Police and Crime Plan (PCP) and MPS Transformation

- Regular review of the risks to the delivery of the PCP and MPS transformation and providing assurance of the effectiveness of mitigating actions.

Corporate Risk Management

- Approving the MOPAC and MPS risk management strategies and frameworks; ensuring an appropriate framework is in place for assessing and managing key risks to MOPAC and the MPS.
- Providing assurance to the DMPC and Metropolitan Police Commissioner as appropriate on the effectiveness of the risk management frameworks in operation.

Financial Reporting

- Considering the financial risks to which MOPAC and the MPS are exposed (including those that relate to treasury management) and approving measures to reduce or eliminate them or to insure against them.
- Reviewing the outcome of the external audit of the Annual Accounts and considering any potential issues raised.
- Considering significant financial strategies (including treasury and commercial management), policies and any changes to them.
- Reviewing the annual accounts, including considering accounting policies and any changes to accounting policies.

Inclusion, Diversity and Equalities

- Satisfying itself on behalf of the DMPC and Metropolitan Police Commissioner that an efficient and effectively performing framework is in place to discharge statutory requirements for inclusion, diversity and equalities and to ensure continual improvement.

Safety and Health

- Satisfying itself on behalf of the DMPC and Metropolitan Police Commissioner that an efficient and effectively performing framework is in place to discharge legal duties in relation to health and safety and to ensure continual improvement. In particular with regard to the safety, health and welfare of police officers and staff, people in the care and custody of the MPS, and members of the public on police premises or property.

Internal Audit

- Advising the DMPC and Metropolitan Police Commissioner on the appropriate arrangements for internal audit and approving the Internal Audit Charter and Strategy.
- Approving (but not directing) the internal audit annual programme.
- Overseeing and giving assurance to the DMPC and Metropolitan Police Commissioner on the provision of an adequate and effective internal audit service; receiving progress reports on the internal audit work plan and ensuring appropriate action is taken in response to audit findings, particularly in areas of high risk.
- Considering the Director of Audit, Risk and Assurance Annual Report and annual opinion on the internal control environment for MOPAC and the MPS; ensuring appropriate action is taken to address any areas for improvement.

External Audit

- Noting the external audit programme and associated fees.
- Reviewing the external auditor's Audit Findings Report and any other reports, reporting on these to the DMPC and Metropolitan Police Commissioner as appropriate and including progress on the implementation of agreed recommendations.
- Reviewing the External Auditor's Annual Audit Letter making recommendations as appropriate to the DMPC and Metropolitan Police Commissioner.

Integrity, Ethics, Fraud and Corruption

- Reviewing and monitoring the effectiveness of MOPAC and MPS strategies and policies for addressing issues of integrity and ethical behaviour and tackling fraud and corruption.

Assurance Framework

- Considering HMICFRS, external review agencies and any internal inspection reports that provide assurance on the internal control environment and/or may highlight governance issues for MOPAC and/or the MPS.
- Advising the DMPC and Metropolitan Police Commissioner on the effectiveness of the overall assurance framework in place.

Audit Panel Effectiveness

- Annual appraisal of the Audit Panel operations is conducted and an annual report produced and reported to the DMPC and the MPS Commissioner, which is published on the Audit Panel webpage.
- Annual performance appraisals of members are conducted by the Chair of the Panel. An annual performance appraisal of the Chair is conducted by the DMPC and Commissioner, informed by the review of Panel effectiveness.

Joint Audit Panel Work Plan January and April 2024

15 January 2024

1	MOPAC Risk Management Report
2	MPS Risk Management Report
3	MOPAC Governance Improvement Plan
4	MPS Audit and Governance Update
5	New Met for London/Transformation Update
6	External Audit Report – Progress Report and Findings Report 2022/23
7	Internal Audit Quarterly Activity Report
8	MPS Commercial Services Update
9	MOPAC Commissioning
10	Capital Strategy Framework Update 2024/25
11	VAWG Strategy and London Race Action Plan Updates – to note
12	Treasury Management Mid-Year Review 2023/24
13	Accounting Policies and Key Judgements 2023/24

April 2024

1	MOPAC Risk Management Report
2	MPS Risk Management Report
3	MOPAC Governance Improvement Plan Update
4	MPS Audit and Governance Update
5	New Met for London/Transformation Update
6	Internal Audit Quarterly Activity Report
7	External Audit – Progress Report and Annual Report 2022/23
8	MPS Health Safety and Wellbeing
9	MPS Diversity and Inclusion Strategy
10	MPS and MOPAC Counter Fraud Strategy and Framework
11	Audit Panel Work Plan for 2024/25

MOPACMAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

MPS-MOPAC JOINT AUDIT PANEL

2 October 2023

A New Met For London

Report by: The Commissioner

Report Summary

Overall Summary of the Purpose of the Report

The Commissioner's Report at Appendix A to this paper updates the Board on the work the Metropolitan Police Service (MPS) is doing on the work set out in the New Met for London plan.

The paper includes a section called 'Where We Were', to summarise the challenges the Metropolitan Police Service was facing and the response they demanded. Included in the report is a separate paper that sets out the progress against culture and standards reform.

Key Considerations for the Panel

The Report will be based on the quarterly progress updates that we will consider and interrogate internally at our Management Board meetings. From next quarter, it will be divided into three sections: (1) Performance; (2) Reform; (3) Strategic Challenges and Risks. It will outline where we have been successful, where there is more to do, the challenges and risks to delivery, and where we need support from others.

Interdependencies/Cross Cutting Issues

The work undertaken by DARA as part of the annual plan supports the successful delivery of the NMFL plan as well as governance improvement actions included in the MPS Audit, Inspection and Governance improvement paper.

Recommendations

The Audit Panel is recommended to note and discuss the following sections of the Commissioner's Report attached at **Appendix A**:

- a) Progress against the MPS' 'mission and reform' at paragraph 1 (below) including the Public Attitudes Survey on Trust and Confidence and crime statistics.
- b) Progress report at para 2 (below) on 'Reform' setting out MPS progress against reform priorities 'Community Crime Fighting' and Fixing our Foundations.
- c) Key strategic challenges and risks to the MPS from para 3 (below).

1. Progress against our mission and our reform

In the last year, we have taken significant steps to improve how we manage our performance. We have appointed a new Deputy Assistant Commissioner (DAC) for Performance, Insight, Tasking and Assurance with accountability for overseeing, managing and improving performance across the MPS. A new performance team is in place, consisting of 27 analyst posts aligned under the new DAC. A new performance framework has been implemented, which we are reviewing to ensure further alignment with the NMFL.

2. Reform

To improve our operational performance and to deliver More Trust, Less Crime and High Standards, we committed to major reform in A New Met for London. In the last quarter, we have made considerable progress in some areas, many at rapid pace, which reflects the shared determination in the MPS to deliver the scale and pace of reform that our communities and our people want to see. That progress is set out below. There is of course, still much more to do, and the NMFL plan commits us to significant reform which we will deliver over the next two years.

3. Strategic challenges and risks

We are confident that by delivering NMFL we can reform policing for London. However, if we are to meet the scale and pace of ambition that communities, our own people, and external partners want to see, we have several strategic risks and challenges to overcome. We cannot solve these problems on our own.

4. Equality and Diversity Impact

The Commitments set out within chapter two of the NMFL, *Culture Change*, and across the whole document set out how the Met will root out discrimination in all its forms and build a more diverse and inclusive organisation. These measures will significantly impact how the Met upholds its obligations under equalities legislation.

5. Financial Implications

The cost of delivering NMFL is significant. We estimate the initial, indicative cost to be approximately £366m through 2023/24 and 2024/25. These costs do not include a full workforce plan that matches resource and demand or key issues under development such as the estates strategy. We are developing a fuller costing during this year's budget process.

We committed to attempting to fund as much of the shortfall as possible through reprioritising existing budgets, but there will be additional costs associated with implementing significant programmes of reform, which are currently unfunded and therefore we lack a medium-term financial plan for reform. This is while the MPS has seen a cut per head of 28% since 2010 in real terms. This has created pressure across the whole of the organisation, and closing this funding gap will remain a critical factor in increasing the pace and scale of reform.

6. Legal Implications

N/A

7. Risk Implications

Corporate risks are mapped to the NMfL plan and will be monitored regularly through governance and oversight.

8. Contact Details

Report author: James Spink – Strategic Planning and Risk

9. Appendices and Background Papers

Appendix A – Commissioner’s Report



MPS-MOPAC JOINT AUDIT PANEL

2 October 2023

Commissioner's Report

Summary

1. The Commissioner's Report will be a quarterly, candid assessment of the progress we are making in delivering the reform set out in A New Met for London and achieving our mission of More Trust, Less Crime and High Standards.
2. A New Met for London (NMFL) is our finalised reform plan, building on our Turnaround Plan which identified immediate actions required for improvement and initiated a significant process of consultation and dialogue with our workforce and the people of London about how they want us to deliver reform. The NMFL reflects over 10,000 interactions with our communities and our people about what they want us to do to improve. The NMFL encompasses our response to the Baroness Casey Review and the findings and recommendations of external scrutiny partners like His Majesty's Inspector of Constabularies, Fire and Rescue Services (HMICFRS). More Trust, Less Crime, High Standards is the framework for our new approach to performance and will ensure the whole of the organisation is delivering the outcomes that matter the most for Londoners.
3. The Commissioner's Report will be based on the quarterly progress updates that we will consider and interrogate internally at our Management Board meetings. From next quarter, it will be divided into three sections: (1) Performance; (2) Reform; (3) Strategic Challenges and Risks. It will outline where we have been successful, where there is more to do, the challenges and risks to delivery, and where we need support from others.
4. For this Commissioner's Report, we have included a section called 'Where We Were', to summarise the challenges the Metropolitan Police Service (MPS / the Met) was facing and the response they demanded. On this occasion, a separate paper sets out our progress around culture and standards reform.

Where We Were

5. When the Commissioner took up his post in September 2022, it was clear that public trust in the MPS was damaged, our standards were not high enough, and the MPS was not properly tackling the crime affecting communities nor providing enough support to victims. Calls for change from staff, officers and volunteers at the MPS were not being properly addressed. The MPS had already been placed in 'Engage' status for almost two months by HMICFRS. The Commissioner was immediately candid about the scale and pace of reform needed to tackle systemic failures.

6. Informed by over 10,000 interactions and calls for action from our own people, our communities, and our external partners, we have set in motion the most radical reform of the MPS in a generation. We have initiated reforms which will tackle systemic issues; that address the root causes of the challenges we are facing, not just the symptoms. To that end, work began on:
 - a. Introducing more **robust, data-led performance, tasking and coordination** to drive against the crime and anti-social behaviour that matters most to Londoners;
 - b. Beginning urgent work on critical operational areas of weakness such as **neighbourhood policing, victim care and violence against women and girls (VAWG)**;
 - c. The biggest **doubling down on standards** in 50 years (see agenda item 6 for further detail);
 - d. **Resetting leadership**, including at Board level; recruiting new leaders, with more people from outside the Met to bring fresh perspective and investing heavily in leadership training for our existing supervisors;
 - e. Beginning to **repair the weak foundations** (e.g: confused workforce planning; limited/ineffective leadership training and development; no efficiency strategy; addressing an Estates Strategy that was not focussed on communities; and no data tools to enable best targeting of activity).
7. This reform was set in motion in parallel with developing the NMFL plan and has helped us begin to address the issues our workforce and communities identified, such as discrimination, poorly-run organisation and weaknesses in how we served communities and victims: issues which Baroness Casey also identified in her review into the standards and culture of the Metropolitan Police published in March 2023.
8. In July 2023 we published the NMFL plan which is our long-term plan for reform. That plan builds on the Turnaround Plan and is the product of the largest conversation with the public and our own people in decades. It has been co-developed between the MPS and the people of London and reflects the shared determination for change between London and the MPS. The NMFL sets out how we will reform the organisation and renew policing by consent by delivering our mission of More Trust, Less Crime, High Standards. We launched the NMFL over the summer and took it to every borough in London. The Commissioner and his senior team have led these events personally, to discuss with communities how the reforms can be tailored to a local context to enable better collaboration with those communities and partner agencies. To that end, the NMFL is the basis on which those locally led plans will now be taken forward and adapted to suit local needs and priorities.

Progress against our mission and our reform¹

9. In the last year, we have taken significant steps to improve how we manage our performance. We have appointed a new Deputy Assistant Commissioner (DAC) for Performance, Insight, Tasking and Assurance with accountability for overseeing, managing and improving performance across the MPS. A new performance team is in place, consisting of 27 analyst posts aligned under the new DAC. A new performance framework has been implemented, which we are reviewing to ensure further alignment with the NMFL.

Table 1: Public attitudes survey results on trust and confidence

Survey	Metric	Ambition	Q1 Month 1 (April) 2023/24	Q1 Month 2 (May) 2023/24	Q1 Month 3 (June) 2023/24
PAS	The proportion of Londoners who think the Met's doing a good job locally. (Confidence interval 3%)	↑	45%	48%	45%
PAS	The proportion of Londoners who trust the Met. (Confidence interval 2%)	↑	63%	68%	69%
PAS	The proportion of Londoners who believe they'd be treated fairly by the Met. (Confidence interval 2%)	↑	60%	59%	62%
PAS	The proportion of Londoners who believe the Met uses stop and search fairly. (Confidence interval 3%)	↑	55%	55%	56%
Survey	Metric	Direction		FY 2021/22	Rolling 12 months (June 22 – May 23)
USS	The proportion of victims satisfied with the service the Met provides. (Confidence interval 1%)	↑		65%	64%

10. The challenges laid out in paragraph 5 have meant that we have continued to see lower confidence as measured in the MOPAC-commissioned public attitudes survey (PAS) than in previous years. Confidence and trust in policing (in London and nationally) have both seen a constant decline since 2016/17.

¹ All data (apart from PAS) is reported on the following time frames: FYTD: Apr – Aug 23 compared to Apr – Aug 22

Pre- Covid: Based on average of 3 years Apr – Aug between 2017 to 2019

Neighbourhood crime: personal robbery, residential burglary, vehicle crime & theft person Serious violence: robbery (personal and business), VWI, homicide *exceeds 100% due to counting rules (number solved in specific time period may exceed number recorded) ** 57% as of Q4 2021/22 43% discreet monthly data as of June 2023

11. Trust is currently at 67% in Quarter 1 2023/24 from 87%. Confidence is currently at 46% in Quarter 1 2023/24 from 70%. The decline appeared to have slowed but the findings of the Baroness Casey Review was a significant moment and created further impacts on trust by the nature of the difficult issues the Review covers.
12. We are carrying out the strongest doubling down on standards in the MPS for 50 years. We will remove more corrupt officers this year than we ever have before. But success in this mission is creating an incredibly challenging paradox.
13. To rebuild the trust of London we have to root out those corrupting our integrity. But the more successful we are in this element of reform, the more horrific stories will emerge, the more worried the public will be. The harder we try to deliver the scale of reform required, the worse we will appear from the outside looking in.
14. We speak regularly about the tough measures we are taking against those who do not meet our high standards. But we cannot lose sight of the tens of thousands of officers and staff delivering one of the hardest jobs in the capital. They want the MPS to rid itself of those who have no place in policing just as much as the public do. They are up for the fight. This is evident in the number of internal reports about wrongdoing doubling over the last year.
15. This, alongside more assertive investigations (100% increase in gross misconduct hearings) mean we will be removing more bad officers this year than in the history of the MPS's existence. Our aim is that we will regularly be holding approximately 30 gross misconduct hearings and 30 gross incompetence hearings a month for the foreseeable future. More reporting, better investigations, swifter decisions (which will soon be enabled by regulation changes) will lead to a series of regular dismissals. These cases and their volume will make uncomfortable reading for all, but the MPS will be stronger, and London will be safer as a result.
16. Recent Crime Survey of England Wales (CSEW) data on public perceptions of policing shows the Met is experiencing similar challenges to other forces in the UK. The CSEW shows that 51.5% of Londoners said the police do a good or excellent job in their area, compared to 51.2% of the national average.

Less Crime

Metric		Ambition	Performance: (FYTD April – Aug 2023 compared to April – Aug 2022)	Pre-Covid
Neighbourhood Crime	Residential Burglary	↓	+5.8% increase	-31.0% decrease
	Theft from Person	↓	+20.7% increase	+36.6% increase
	Theft of / Taking of MV	↓	+2.7% increase	+7.7% increase

	Theft from MV	↓	-8.9% decrease	-12.2% decrease
Serious Violence	Violence with Injury, Robbery, Homicide	↓	+6.9% increase	+1.0 increase
Gun Crime	Lethal Barrel Discharges offences	↓	-28.7% decrease	-54.15 decrease
Public Protection	Positive outcomes Domestic Abuse	↑	7.7%, previously 10.3%	<i>Data not available</i>
	Positive outcomes Rape	↑	9.3%, previously 5.7%	<i>Data not available</i>
Hate Crime	Proportion of positive outcomes	↑	8.9% Previously 14.0%	<i>Data not available</i>
Anti-social Behaviour	Number of incidents	↓	-0.9% decrease	-3.4% decrease

17. Beyond these headline measures, other notable points to make are that we are making positive progress in some areas (data compares April to August 2022 with the same period in 2023):

- Lethal barrel discharges are not only down 28.7% but also related sanction detections up from 23.1% to 46.8%.
- The positive outcome rate for homicide is 99%, with the recorded number of victims down by one (to 51, 17 fewer than pre-Covid-19).
- The positive outcome rate for rape has increased from 5.7% to 9.3% means that the MPS is now in the top quartile of forces nationally for rape detections for the first time in a decade (having risen from the bottom quartile).
- Our sanction detection rate for child abuse investigations has increased to 11.1% from 10.8%. As of 8 August 2023, there were no National Centre for Missing and Exploited Children (NCMEC) referrals in our online CSAE backlog and 352 referrals in development. In October 2021, the backlog was recorded as 1,323, with 546 referrals in development.

18. However, there are also areas of crime where we need to do more:

- The key increase on serious violence is robbery. Personal robbery has increased by 13.2% (10.5% lower than before Covid-19) and theft from person has increased by 20.7% (36.6% higher than before Covid-19). We have turned the robbery increase into short-term reduction over past 8 weeks but there is much more to do.

- The positive outcome rate for domestic abuse is 7.7%, down from 10.3%. Reporting of domestic abuse continues to increase year on year and investigators' caseloads are high. These teams are prioritised for growth in our Strengthening Public Protection Programme and we are working closely with the Crown Prosecution Service (CPS) to improve prosecutions. We are targeting perpetrators who present the highest threat using the new VAWG100 tool and securing support from specialist teams across the MPS to track down wanted offenders.

Reform

19. To improve our operational performance and to deliver More Trust, Less Crime and High Standards, we committed to major reform in A New Met for London. In the last quarter, we have made considerable progress in some areas, many at rapid pace, which reflects the shared determination in the MPS to deliver the scale and pace of reform that our communities and our people want to see. That progress is set out below. There is of course, still much more to do, and the NMFL plan commits us to significant reform which we will deliver over the next two years.

Priority	Objective	Progress
Community Crime-Fighting	We'll get back to policing with London and put communities first.	<ul style="list-style-type: none"> • We have put in place all 32 Borough Superintendents and have begun to recruit an additional 500 Police Community Support Officers (PCSOs) and more ward officers to meet our commitment of two ward officers in every ward. We will be announcing our neighbourhoods operating model this year. • We have undertaken a series of community events across all London boroughs to launch NMFL and start to rebuild trust. • We have launched our 'clear, hold, build' pilots – which are rolling out an innovative approach to tackling organised crime in partnership with communities. • We have launched the Anti Social Behaviour (ASB) Early Intervention Scheme: a simple warning, escalating to Community Protection Warnings, Community Protection Notices and Anti-Social Behaviour Orders.
	We'll transform how we protect the public from harm.	<ul style="list-style-type: none"> • We committed to putting 465 more officers and 100 more staff into our public protection teams locally: 42 are in post. • We have doubled the number of Stalking Protection Orders issued. • The MPS is now in the top quartile of forces nationally for rape detections for the first time in a decade and since these records began (having risen from the bottom quartile).

		<ul style="list-style-type: none"> • We've charged 500 more cases of rape and serious sexual offences in the last 12 months compared to the previous year • We have cleared our backlog of online CSAE referrals. • We have identified and begun to target the top 100 most prolific and most dangerous predators in London. In June 2023, we targeted a nominal who had six recently closed domestic abuse cases against him where the victim had declined to engage. By July 2023, we had traced, arrested and charged him with a number of VAWG-related offences. • We ran a successful pilot of a Central Vulnerability Hub that contributed to finding missing people 33% faster than the same period in the previous year.
	<p>We'll significantly improve our service to victims of crime.</p>	<ul style="list-style-type: none"> • We are answering calls faster: the last week of July 2023 saw seven days of consecutive 91% performance on 999 calls answered. 86.5% of calls in July were answered within 10 seconds, compared to 57% in June, despite receiving our record ever demand in a single month. • We expect to regularly meet 999 Service Level Agreements by October 2023 and we are starting to see similar improvements for 101 calls. • Thrive+ has seen a 100% compliance rate month on month since May 2023 because of mandatory changes in the call handling system. Quality assessment to identify vulnerability and repeat callers has also increased. • We are getting better at recording crime: 82% of offences were recorded within 24 hours in April 2023, an increase of 44 percentage points. • We began our pilot of a Victim Information Leaflet with QR code this month. • We have laid the groundwork for the imminent launch of Right Care, Right Person on 1 November 2023.
	<p>We'll prevent crime through a proactive and precise approach.</p>	<ul style="list-style-type: none"> • As part of our proactive policing review, we have now realigned 240 posts into Basic Command Units (BCUs), refreshed our performance framework, and begun to create a new tasking board to coordinate activity and precise policing across BCUs. • This means 1,800 officers and staff will be proactively acting on intelligence and local priorities.

		<ul style="list-style-type: none"> • We are making greater use of independent validated facial recognition technology for the precise identification of wanted offenders. • Delivering more precise stop and search, increasing the percentage of searches which have a 'positive outcome' (our measurement for whether a search has successfully found what officers are looking for) from 26% to 29%.
Fixing our Foundations	We'll build a well-run organisation.	<ul style="list-style-type: none"> • We have begun work on a strategic workforce plan for the Met, to better understand the skills and resources we will need for the future. • We have developed and will now embed a new corporate risk management framework. • As a first step, we have reduced the number of people who are not deployable in frontline roles from 8800 to 8200 – there is more to do.
	We'll make it easier for our people to do their job.	<ul style="list-style-type: none"> • Under the banner of Met Succeed, we have rolled out 30,000 mobile phones to the frontline, provided 24,000 bleed kits and launched new, sustainable patrol trousers that better fit diverse body types. • We have begun to review and improve our supervisory ratios. They are currently 1:8 in BCUs versus 1:5 in specialist operations. • We have followed through with our commitment to increased effectiveness, efficiency and sustainability in our fleet and estate: we have undertaken three full police station refurbishments; reduced the volume of our vehicles off the road to 12.2% (c. 450 out of 3680 vehicles off the road at any given time) - in June 2022, this was 14.8%. We will have delivered c. 400 new IRV Toyota Hybrid Corollas by the end of 2023. • We are working to reduce abstractions in frontline roles: we began the first phase of building a resilience margin this month; and we have introduced new tasking processes and governance in BCUs to oversee abstractions.
	We'll transform our leadership and learning.	<ul style="list-style-type: none"> • We have improved our training for recruits, to make it less academic and more practical and relevant for new recruits. • 63% of eligible officers and staff have registered or completed their five-day First Line Leaders course. All first line leaders will have completed it by April 2024. • We launched a new Learning Management System and a new PDR process. PDR compliance for 2022/23 increased from 19.8% to 49.1%.

Strategic challenges and risks

20 We are confident that by delivering NMFL we can reform policing for London. However, if we are to meet the scale and pace of ambition that communities, our own people, and external partners want to see, we have a number of strategic risks and challenges to overcome. We cannot solve these problems on our own.

Finance

21. The cost of delivering NMFL is significant. We estimate the initial, indicative cost to be approximately £366m through 2023/24 and 2024/25. These costs do not include a full workforce plan that matches resource and demand or key issues under development such as the estates strategy. We are developing a fuller costing during this year's budget process.

22. We committed to attempting to fund as much of the shortfall as possible through reprioritising existing budgets, but there will be additional costs associated with implementing significant programmes of reform, which are currently unfunded and therefore we lack a medium-term financial plan for reform. This is while the MPS has seen a cut per head of 28% since 2010 in real terms. This has created pressure across the whole of the organisation, and closing this funding gap will remain a critical factor in increasing the pace and scale of reform.

Workforce

23. This is set in the context of significant workforce challenges which we are working to address.
- a. Like other public services in London, the cost of living crisis means we are seeing falling police officer application levels creating significant recruitment risks. We started the year 1000 officers below our funded establishment and expect to be 1,800-2000 below by the end of 2023/24. We are also not receiving enough applications to recruit new officers at the level we need. We are currently only receiving 40% of the applications we would need to meet our targets - this echoes challenges across much of public sector in London where there are higher vacancy rates than elsewhere in the UK.
 - b. We currently have 8,200 long term abstractions - individuals who we cannot deploy in frontline roles. We are urgently working to reduce this but much will remain long term.
 - c. The MPS has the highest ratio of officers to staff in England and Wales, meaning our officers have fewer staff to support them when compared to other forces. Yet there are various political restrictions preventing us adjusting this balance.
 - d. Our most inexperienced people are being led by our most inexperienced supervisors, who are in turn spread the most thinly. 43% of Detective Constables (DCs) in local policing have less than two years' service and in some areas of the organisation there are 1:8 ratios of supervisors to direct reports.

- e. We have not had a tactical or strategic workforce plan in place in the organisation for a number of years to guide recruitment and deployment decisions.
24. We are prioritising work to fix through the development of a new strategic workforce plan, and have already begun:
- Beginning to strengthen our HR function that is not resourced to meet the challenge.
 - Setting up a new demand authority to ensure we develop our strategic workforce plan collaboratively, centred on operational priorities. This in turn will enable tactical workforce deployment through corporate and local tasking processes.
 - Building resilience into our new Met design, so we can better support our new officers and manage long-term abstractions. We want what our teams have on paper to reflect reality.
 - Piloting a People and Performance Improvement Team (PPIT), providing local HR support to positively impact the availability of deployable resource.
 - We have also bid to the Home Office for a package of measures which will enable us to bring in new staff with specialist skills to support officers, deploy more officers onto the frontline, and deliver key efficiencies needed to prioritise resource and our people in the places they are needed most. We would welcome the London Policing Board's support in this bid.

Criminal Justice Reform

25. Today, the criminal justice system delivers significantly fewer prosecutions than it did 20 years ago. Over that same period, the cost per prosecution to the public purse has increased dramatically – so we are delivering less for more. The criminal justice system is overdue significant and wide-ranging reform to make it more effective. There is far more that policing needs to do to improve, and we are committed to making sure that happens, but we must get this right for victims and communities. The criminal justice system is, like policing, trying to deal with rising demand and complexity, but it cannot be right that we have backlogs in courts leading to some victims waiting years to get justice. Significant reform is needed to meet the pace and scale of reform that Londoners expect.

Other key risks and challenges

26. The MPS is undertaking a significant and near unprecedented volume of transformation activity. This is creating pressure on our enabling functions (such as HR, and programme managers) and whilst we have started to grow those functions and our central strategy and transformation resource there is more to do to mature and grow those functions.

27. There are other risks and challenges outlined in the culture and standards paper on this agenda which are relevant to the challenges set out in this paper, for example the speed of reform to the police regulations following the Home Office dismissals review. These risks should be considered alongside those set out in this section.

MOPACMAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

MPS-MOPAC JOINT AUDIT PANEL 2 October 2023

MOPAC Risk Management Report

Report by: The Director of Strategy and MPS Oversight

Report Summary

Overall Summary of the Purpose of the Report

This paper sets out MOPAC's current approach to risk management and a high-level summary of the corporate risks.

Key Considerations for the Panel

MOPAC has reviewed its risk management framework and sets out its risk appetite statement.

Interdependencies/Cross Cutting Issues

The Baroness Casey review of the MPS is a cross cutting issue that has influenced risk for both organisations.

Recommendations

The Audit Panel is recommended to:

- a. Note MOPAC's risk management approach and risk appetite statement
- b. Note MOPAC's current oversight of MPS technology programmes
- c. Note the progress to the corporate risk register

1. Supporting Information

- 1.1. Further to the information presented to the Panel in August, this paper provides more detail of MOPAC's Risk Management Framework and Risk Appetite statement agreed at MOPAC Board.
- 1.2. The paper also provides detail of MOPAC's oversight and assurance of the MPS technological programmes, as well as an update against MOPAC's corporate risks.

MOPAC Risk Management Framework

- 1.3. The work to revise our Risk Management Framework has been developed as part of the GLA Group Collaboration, which brings together risk experts across the GLA family organisations. This has enabled us to take advice and bring together best practice. The MPS has been part of the same process to ensure that we learn from each other. DARA colleagues have also provided advice, through their auditing of similar frameworks across the GLA family.
- 1.4. MOPAC Board approved the revised risk management framework on 14th September and agreed that the principles outlined would provide the organisation with a suitable approach to risk and a framework for managing it. The framework can be seen at **Appendix 2**.
- 1.5. A key element of the framework was for Board to agree its risk appetite. It was agreed that this would be a high-level statement initially, with further work against its key corporate risks over the next quarter. MOPAC's risk appetite statement can be seen at **Appendix 3**.
- 1.6. To ensure that the framework and risk appetite statement is communicated effectively, an awareness raising plan has been put in place. This has already started with a risk management session at a directorate together day in September and will be further socialised with the entire organisation via our weekly all staff event in early October.
- 1.7. Training sessions are in the process of being developed to ensure we embed the framework effectively.

MOPAC Oversight of MPS technology programmes

- 1.8. MOPAC is required under S151 of the Local Government Act 1972 to have proper administration of its financial affairs, and in doing so provides financial oversight of the MPS. MOPAC's Chief Finance Officer and her team oversee business cases for large technology programmes of work, this includes for the MPS - Connect and Command and Control programmes. Business cases are subjected to financial scrutiny including assurance that there is an alignment to priorities and that opportunities for collaboration with the wider GLA are maximised where this makes sense to do so.

- 1.9. The financial oversight also provides assurance of programme management and delivery including supplier performance. As part of this work, MOPAC assess cross-portfolio impact of programme dependencies, to reduce the risk of milestones overlapping and causing detrimental impact to delivery.
- 1.10. MOPAC has representation at the national programmes of Single Online Home and Emergency Services Network, given their financial impact on the MPS.
- 1.11. Further oversight is provided by MOPAC's Head of Oversight and Performance through attendance at MPS boards where the use of technology and digital activity is discussed and considered. This gives MOPAC oversight of initiatives such as live facial recognition (LFR), closed-circuit technology (CCTV) and body worn video (BWV) as perceptions about the use of this technology is contentious and/or its use has raised ethical concerns and risks. We also oversee technology that could impact MPS performance, services, and standards (call handling, complaints, training etc.) and related data as part of wider oversight work in these areas. This invariably includes technical solutions implemented by programmes that have been/ are being subject to financial assurance.
- 1.12. We have identified a gap in our capabilities and capacity as access to in-house technology expertise that can robustly challenge the technical aspects of technology programmes and the use of the technology and data. In addition to this there is also greater scrutiny needed to ensure benefits are fully articulated and that the benefits (cashable and non-cashable) are fully realised. In recognition of this, additional capacity for financial oversight is being introduced and an options paper for MOPAC Board in October will consider the best way forward for the technical oversight.
- 1.13.

Summary of MOPAC's Corporate Risks

- 1.14. **Risk 1 – Resources – escalated to an issue.**
MOPAC does not have the right capabilities and capacity to achieve MOPAC's mission including delivery against statutory function

MOPAC Board reviewed its corporate risks in July and agreed that due to resulting needs emanating from the Casey Review and 'The New Met for London' plan, fundamental changes to oversight were required which would impact on MOPAC organisational design, role type, capability and capacity. Whilst progress has been made on the control actions for this risk, these new immediate but long-term impacts result in the need to escalate this to an issue and put in place immediate mitigating actions. As a result, additional resources have been agreed and budgeted, and directorate resourcing plans progressed with immediate effect. Key posts will be recruited to over the coming months, with a longer-term plan to fill up to 28 new posts across the organisation within oversight but also in the supporting services.

- 1.15. **Risk 2 – Partnerships – M (likelihood) / M (impact)**

MOPAC does not have the right partnership structures and relationships to work effectively with partners and influence and frame the actions of others to deliver the Mayor's ambitions and the Police and Crime Plan

The strong partnership working between MOPAC, the MPS and CJ partners continues with LCJB sub-groups on backlogs, hate crime, domestic abuse (DA), serious case reviews and data. These have seen some key successes including:

- Being the only CJ region to see a reduction in the backlogs.
- A new approach to file quality being piloted
- New ways for CPS and MPS to work together around DA.

Key partnership boards around VAWG, Victims, Disproportionality, Reducing Reoffending, and Criminal Justice, ASB, Drugs, child safeguarding and CT continue to take place and be effective. The work of the Harris Review 2 reported a year 1 progress report to the London Assembly, and CONTEST Board oversees the full set of recommendations for stakeholders. MOPAC and Prisons have also produced a Prisons Violence protocol and have brought partners together on areas ranging from IOM to Child First.

Work continues between the MOPAC Head of Partnerships and Local Authorities to look at ways to enhance partnership working, with a new MOPAC newsletter for borough community safety teams, that builds in regular feedback and input from councils, now being sent out. As part of this work, in light of the LPB, the LCRB's position is being reviewed.

1.16. **Risk 3 – Culture** – M (likelihood) / H (impact)

Due to hybrid working and diminished space MOPAC loses its corporate identity which impacts on staff engagement and inclusion, shared purpose and effective understanding and working, leading to dissatisfaction and reduced delivery.

A key element of building culture is providing the space for teams to work collaboratively together on a regular basis. MOPAC has recently sourced additional seating at its main office space in Union Street, allowing staff to come together and engage with each other. MOPAC continues to provide wider directorate together days at external venues, which enables shared learning as well as engagement opportunities. And a full organisation conference is planned for October.

The People Strategy holds the key for a number of controls for this risk. It encompasses a strategic approach to strengthen identity, culture and connection. Work to embed this over the next 3 years will ensure that focus remains on this corporate risk with a view to improve the culture of the organisation.

1.17. **Risk 4 – Impact** – M (likelihood) / H (impact)

MOPAC is unable to demonstrate impact as work is not prioritised in line with a set of defined outcomes supported by data/evidence. Impacted by the lack of understanding /visibility of the role of MOPAC/VRU.

Oversight and input into the MPS reform and transformation work has rightly been a priority and continued to be over the last quarter. The London Policing Board was established on the 26th September and commenced the new way of conducting oversight in public for the Mayor and MOPAC. The impact of this new way of working will be realised over the coming months.

Communicating our impact continues to be a focus, with key video content posted on our digital platforms to Londoners, stakeholders and internally to staff. Most recent work includes supporting the VAWG ‘have a word’ campaign, which has received great feedback so far.

And the impact of our commissioned services will be demonstrated much more clearly once the performance information is developed and published.

1.18. **Risk 5 – Finance** – M (likelihood) / H (impact)

Failure to deliver the Medium-Term Financial Strategy and service delivery within the funding available.

Controls for this risk are built around the medium-term financial planning cycle, and therefore are circular each financial year. MOPAC’s chief finance officer owns and leads the work in place to ensure that the 4-year MTFP is produced and updated regularly to take account of changes in funding, inflation, demand pressures, statutory and policy changes. Further controls include working strategically to ensure that budgets are maximised through active lobbying of government and working collaboratively with the Home Office on the review of the funding formula for the police budget.

MOPAC has been focussing on the budget for 2024/25, which is due to be published in November.

1.19. **Risk 6 – IT Shared Service** - H (likelihood) / H (impact)

Failure to deliver a modern, consistent and reliable technology experience for MOPAC’s users.

A control plan has been agreed and progress is being monitored. The residual risk score will likely change once sufficient controls are in place and embedded. Currently the programme timeline for transfer of IT services from one provide to another has been moved to the new year, and MOPAC is working with the provider to minimise any risks of the programme and ensure that the transfer is seamless for staff. IT Champions within MOPAC have been engaged and are testing the new system and will be available for communication with teams throughout the process.

A summary of risk scores and position is at **Appendix 1**.

2. Equality and Diversity Impact

MOPAC consider risk on a Project, Programme, Directorate and Corporate level, with risk alignment taking place at a forum that is representative of the diversity of MOPAC staff and enables a transparent assessment of risks. Risks and controls identified recognise that equality, diversity, and community engagement should be treated as strategic priorities.

3. Financial Implications

The MOPAC risk management framework will contribute towards the management of MOPAC budgets and ensure that financial pressures are responded to effectively.

4. Legal Implications

There are no direct legal implications arising from this report.

5. Risk Implications

The paper details the risk implications facing MOPAC and any interdependent risks or issues with the MPS.

6. Contact Details

Report author: Gemma Deadman, Governance, Risk and PMO Manager, MOPAC

7. Appendices and Background Papers

Appendix 1 – MOPAC Summary Risk Position

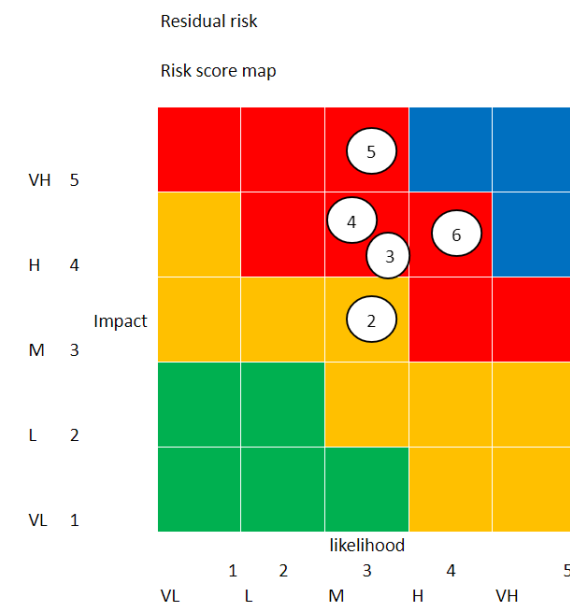
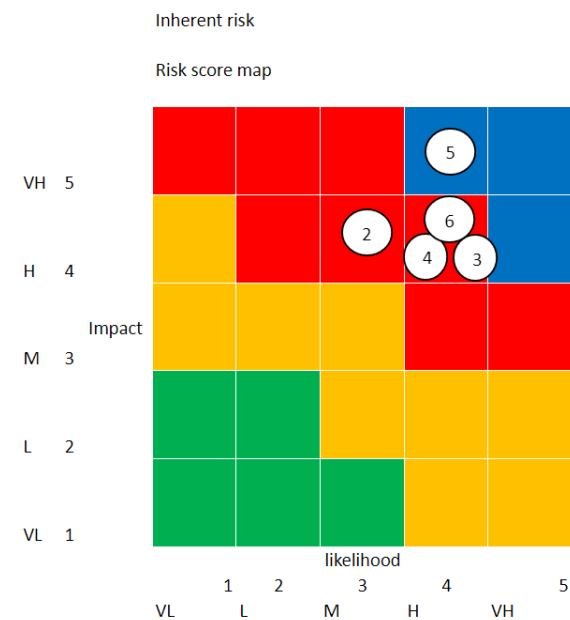
Appendix 2 – MOPAC Risk Management Framework

Appendix 3 – MOPAC Risk Appetite Statement

Appendix A: MOPAC corporate risk and issue overview

MOPAC Corporate Risks and Issues

	Risk Description	Risk Owner
1	(Issue) MOPAC does not have the right capabilities and capacity to achieve MOPAC's mission including delivery against statutory function	CEO
2	(Risk) MOPAC does not have the right partnership structures and relationships to work effectively with partners and influence and frame the actions of others to deliver the Mayor's ambitions and the Police and Crime Plan	Dir of Commissioning & Partnerships
3	(Risk) Due to hybrid working and diminished space MOPAC loses its corporate identity which impacts on staff engagement and inclusion, shared purpose and effective understanding and working, leading to dissatisfaction and reduced delivery.	Chief People Officer
4	(Risk) MOPAC is unable to demonstrate impact as work is not prioritised in line with a set of defined outcomes supported by data/evidence. Impacted by the lack of understanding/visibility of the role of MOPAC/VRU.	Dir of Strategy & MPS Oversight
5	(Risk) Failure to deliver the Medium Term Financial Strategy and service delivery within the funding available.	Chief Finance Officer
6	(Risk) Failure to deliver a modern, consistent and reliable technology experience for MOPAC's users.	Chief Finance Officer



MOPAC Risk Management Framework

Section 1: MOPAC Approach

Why a Risk Management Framework?

Risk management is an integral part of MOPAC's corporate governance supporting achievement of its objectives in delivering the Police and Crime Plan (PCP) outcomes. This document sets out MOPAC's approach to risk and provides a framework for managing it within the MOPAC context, to ensure managers demonstrate good governance, better understand their risk profile and provide effective control.

We cannot avoid or eliminate risk entirely but we can manage risk, identifying and understanding how, where and when threats and opportunities might arise. We can influence the likelihood of a given risk arising, together with the nature and extent of the impact and we can consider when and how much calculated risk to take. Benefits of sound risk management include:

- Better informed decision making
- A broader and deeper understanding of our operating context
- A reduced incidence and impact of threats
- An enhanced ability to seize opportunities
- A sharper assessment of the trade-offs between risk and reward, cost and benefit
- A corporate culture that promotes innovation, new ways of doing things, and organisational learning, and ultimately;
- Improved outcomes for London and Londoners.

Setting out and defining our risk management framework helps us realise these benefits by:

- Communicating the value derived from, and the importance MOPAC places on, effective risk management.
- Setting out the principles that underpin MOPAC's approach to risk management.
- Highlighting the practices and mechanisms core to the risk management framework.
- Being clear about our respective roles and responsibilities in managing risk.
- Providing practical guidance, grounded in best practice, for MOPAC colleagues to follow.

MOPAC Risk Management Principles

The following principles underpin MOPAC's approach to risk management;

- **Embedded** – an integral part of decision making, integrated within governance, business planning and performance management.
- **Dynamic** – ongoing and continuous, operating vertically and horizontally at different levels and across different areas.
- **Proactive** – actively used to look forward, to take charge of events and circumstances, and to mitigate threats and seize opportunities.

- **Proportionate** – focuses on the things that matter, adds value and helps ensure controls are commensurate with potential threats.
- **Enabling** – helps MOPAC to be agile, to innovate, to take calculated risks and to learn from successes and mistakes.
- **Owned** – owned and driven by everyone with clear and specific accountabilities for risk management processes, individual risks and associated actions.
- **Communicated** – effectively communicating the importance the organisation places on risk management and facilitating different areas of the business talking to each other about shared and cross-cutting risks.
- **Understood** – there is a shared understanding of MOPAC’s approach to risk management, of the organisation’s appetite for risk and the range and nature of risk it faces, and of strategies for minimising threats and maximising opportunities.
- **Robust** – practices are coherent, accord with best practice and are supported by helpful and practical guidance.
- **Evaluated** – the effectiveness of MOPAC’s management of risk and the risk management framework are regularly reviewed, leading to improved practices.

Looking at Risk from Different Perspectives

Corporate Risk

Corporate risks are MOPAC’s most serious organisational risks, which – if they were to materialise (become an issue) – have the potential to affect the overall functioning of the organisation, having a significant impact on MOPAC’s ability to; successfully deliver the corporate mission and PCP priorities, operate in an efficient and effective way, and oversee the MPS effectively. A corporate risk is also likely to pose a serious threat to the reputation of MOPAC and the Mayor.

The assessment of corporate risks is captured on the Corporate Risk Register, sponsored by MOPAC Board, which is used to drive strategic decisions, change and improvement. MOPAC’s approach to managing corporate risks sets the context for decisions at other levels of the organisation.

Police and Crime Plan Outcomes- ‘Pillar Risks’

Under the MOPAC PCP governance structure there is a named lead for each of the five ‘pillars’ derived to deliver each of the PCP outcomes, which may sit across more than one Directorate. It is the ‘pillar leads’ responsibility to identify, assess and manage (i.e., mitigate) the risks to delivery of their outcome (including escalating where appropriate). Pillar risks are likely to operate over the medium-term and are likely to arise from or relate to policy implementation, business as usual or project delivery. These risks would seriously impede the delivery of at least one of the PCP outcomes.

Project Risks

Project risks relate to or flow from a specific MOPAC project. They have the potential to impact on the project’s scope, outcomes, budget and/or timescales. Where the risk could impact on other projects or PCP outcomes, or the project is considered a high priority and the level of risk is such that it could lead to a failure to deliver project objectives, the risk is escalated to the Directorate or possibly corporate level.

Directorate Risks

Directorate risks are those that if they occurred would seriously impede the delivery of directorate aims and priorities. Compared with corporate risks, the impact of these risks will either be confined to the directorate or be unlikely to seriously impact on the delivery of the MOPAC vision or PCP outcomes. Directorate risks tend to operate over the medium-term and could arise from or relate to policy implementation, business as usual or project delivery.

Risks Associated with Decision Making

These are the potential risks that flow from a decision to pursue, or not to pursue, a particular course of action and which may impact on the delivery of the associated outcomes. Risk assessment at this level is likely to be at a relatively early stage, forming the basis of future risk management at one or more of the levels above. Considering risk whenever significant decisions are made is a key part of MOPAC's approach to risk management.

These are not the only levels at which risk operates. We all manage risk on a daily basis to achieve our personal objectives. Directors, heads of unit and team managers will want to put in place mechanisms to monitor and manage risks that cut across projects and programmes and/or operate outside programmes/projects at an operational, unit and team level.

MOPAC's Risk Appetite

Rigidly defining risk appetite can impede innovation and make an organisation overly cautious. It can also fail to reflect the complexity and diversity of decision making in an organisation such as MOPAC. However, as a general rule, MOPAC:

- Will not tolerate residual risks rated red on the risk scoring matrix where they are avoidable – other than in exceptional circumstances that will be formally documented.
- Has a near zero tolerance for risks that cannot be mitigated to avoid the potential for a breach of law/formal regulation.
- Has an extremely low tolerance for taking risk where there is the potential to actively cause harm to individuals or groups – all such risks will be avoided as far as possible.
- Has a low tolerance for risks that might cause harm to the environment.
- Is willing to operate in higher-risk environments, and take on a broader range of risks, in order to deliver Mayoral priorities and significant outcomes – but MOPAC will seek to implement assurance mechanisms to manage and reduce consequential risks, including those to delivery.

The Board monitors risk exposure each quarter as part of the periodic review of the Corporate Risk Register but risk appetite is also to be an integral part of strategic and financial planning and of decision making. Below the corporate level, guidance is designed to help managers and others consider risk appetite in a systematic way; in particular by categorising and scoring risks. Risk appetite needs to be considered at the very outset of project conception – within the formal decision-making process – and throughout delivery, actively guiding project management.

Overview of the Risk Management Process

Risk management relies first and foremost on good judgement but by applying a recognised and methodical process, and grounding risk management in evidence based analysis, we can better identify and manage risks to delivery of our agree objectives. We use a four stage process;

- **Identifying** what could happen
- **Assessing** the *probability* of a given event happening and the extent of its potential *impact*
- **Addressing** the risk by taking steps to reduce its probability or constrain its impact
- **Reviewing and reporting** on the effectiveness of risk controls and mitigations.



Although the four stages are generally sequential, there will be times when it is necessary to return to earlier stages. As the model demonstrates the process is ongoing given that our risk environment is always changing.

Putting Risk Management into Practice

Risk management cannot be effective if it is seen either as a function solely of the corporate centre or as a box ticking exercise. MOPAC expects directors and managers, at team and project level, to take ownership of and to drive and review risk management within their respective areas using this framework as a guide.

Key Accountabilities, Roles and Responsibilities

MOPAC Board:

- Set the strategic direction - promoting a culture in which risk management; is used proactively, enables innovation and organisational learning, and is owned by everyone.
- Carry out horizon scanning and ensure there are early warning indicators.
- Ensure robust risk management processes are in place across MOPAC and adhered to.
- Review and monitor how much risk MOPAC is willing to tolerate (risk appetite), taking an overview of and considering the top-level risks facing the organisation.
- Own MOPAC's Corporate Risk Register, reviewing it each quarter - facilitating the escalation of PCP, Directorate and project level risks to the corporate level.
- Assign accountability and resources for top level risks.
- Review and sign off major updates to MOPAC's risk management framework.

Governance and Risk Working Group:

- Review the corporate risks ensuring they are scored correctly and are managed effectively.
- Monitor control measures to ensure they are reducing or negating the risk, with on-going appraisal of the impact of control measures on the scale of the risk.
- Identify and record any new risks that need to be managed defining a control strategy with clear accountabilities and time scales (or the decision taken to tolerate).
- Review any directorate or decision-making risks referred to GRWG and agree further controls to be put in place.
- Consider and recommend any risks that may need to be escalated to MOPAC Board.

Portfolio Board

- A quarterly MOPAC Board meeting to provide assurance of Programme and Projects across the full MOPAC portfolio of work.
- Review any programme or project risk referred to Portfolio Board and agree further controls to be put in place.
- Consider and recommend any risks that may need to be escalated to MOPAC Board.

Police and Crime Plan Programme Board:

- Oversee the status of risks to the delivery of PCP outcomes alongside reviewing delivery.
- Recommend the escalation of 'Pillar risks' to GRWG as appropriate for consideration.
- Oversee corporate reporting on performance and associated risk status.

Strategy and MPS Oversight Directorate:

- Review and update risk strategy, policy and the risk management framework.
- Manage administration of the Corporate Risk Management System.
- Advise MOPAC Board and SLT in relation to risk management.
- Work closely with nominated risk leads at different levels.
- Review corporate risk with MOPAC Board - coordinating quarterly reports to the Board and the joint MOPAC/MPS Audit Panel on the corporate risk assessment.
- Promote, integrate and reinforce risk management within other disciplines, in particular portfolio/project governance (via the {PMO}), management and decision making and corporate performance reporting.

Directors:

- Work with their management team to scan the horizon, put in place early warning mechanisms, and to take an overview of risk within their directorate.

- Use information about risks to inform decisions (in particular via the Decisions process) develop strategy and implement policy.
- Champion and embed proactive, enabling and robust risk management practices within their directorate, in line with the risk management framework.
- Review and monitor risk appetite for their directorate.
- Lead strategies to address corporate risks within their directorate.
- Assign responsibility for managing and controlling specific risks.
- Ensure top risks are reflected in quarterly corporate performance reports.
- Monitor the implementation and effectiveness of risk management within their directorate.
- Annually, in consultation with their management team, provide assurance that risk management within their directorate is robust in line with this framework.

PCP Outcomes - Pillar Leads:

- Embed risk management within the performance framework for PCP delivery, including quarterly corporate reporting.
- Align risks with PCP objectives and outcomes.
- Put in place early warning mechanisms.
- Escalate risks to directors and senior managers where appropriate, and if the overall risk exposure or a specific risk is particularly serious, to the Governance and Working Group, via PCP Programme Board.

Project Managers:

- Embed risk management within the project lifecycle to support project definition, approval, change control, decision making and delivery, utilising corporate approach supported by the PMO.
- Agree risk appetite with the project sponsor and the overall approach for managing and escalating risk.
- Maintain a project risk register (at least a mini risk-register for projects and a full risk register for major programmes) and an overview of total risk exposure.
- Align risks with project objectives and outcomes.
- Assign clear accountabilities for risk, including risk owners and risk action owners.
- Put in place early warning mechanisms.
- Communicate clearly risks to stakeholders and ensure risk is covered in project initiation documentation and monitoring reports.
- Escalate risks to directors and senior managers where appropriate, and if the overall risk exposure or a specific risk is particularly serious, to the Governance and Working Group.

Other Managers:

- Manage operational risk and the risks associated with policy implementation in accordance with the MOPAC's risk management framework.
- Escalate serious risks to the directorate and corporate levels as appropriate, as well as advising when operational risk may impact on project delivery.
- Use MOPAC's personal development plans to enhance risk management skills.
- Identify training needs.
- Take account of risk management issues when setting staff performance targets.

Risk Owners:

- Review and report on the proximity and status of assigned risks.
- Identify risk action owners for implementing control measures.
- Escalate risks to the directorate or corporate level as and when necessary.

Risk Action Owners:

- Put in place actions to control risks, drawing on the advice of the support available
- Monitor risk and control measures.
- Feedback on the progress in implementing controls and giving assurance on effectiveness.

All of us need to:

- Understand MOPAC's approach to risk management.
- Make active and effective use of risk management in our work.
- Escalate risks to the project, directorate or corporate level via the appropriate route.

Internal Audit (DARA):

- Use MOPAC's risk assessments to inform the Internal Annual Audit Plan.
- Carry out risk-based audits, evaluating controls and providing an opinion of levels of assurance.
- Carry out periodic risk maturity reviews to inform the Head of Internal Audit's annual opinion and identify areas of strength and focus for improvement.
- Provide advice and support in promoting effective risk management across MOPAC.

Joint MOPAC/MPS Audit Panel:

- Enhance public trust and confidence in MOPAC and the MPS.
- Assist MOPAC in discharging its statutory responsibility to hold the MPS to account.
- Advise MOPAC and the MPS Commissioner according to good governance principles.
- Provide independent assurance on the adequacy and effectiveness of MOPAC and the MPS internal control environments and risk management frameworks.

Risk Escalation

Risk escalation is a risk response strategy that involves transferring the ownership and accountability of a risk to a higher authority or stakeholder. It is usually applied when the risk exceeds the tolerance or capacity of the original risk owner.

Risk escalation is important because it helps to ensure that risks are addressed promptly and adequately by the right people or parties.

The following criteria should be considered when determining whether a risk should be escalated: -

- The risk surpasses predefined thresholds or criteria, such as probability, impact, urgency, or complexity;
- A decision or action is beyond your authority or capability, like changing the scope, budget, schedule, or quality of the project;
- The risk affects higher authorities or stakeholders' interests, expectations, or objectives;

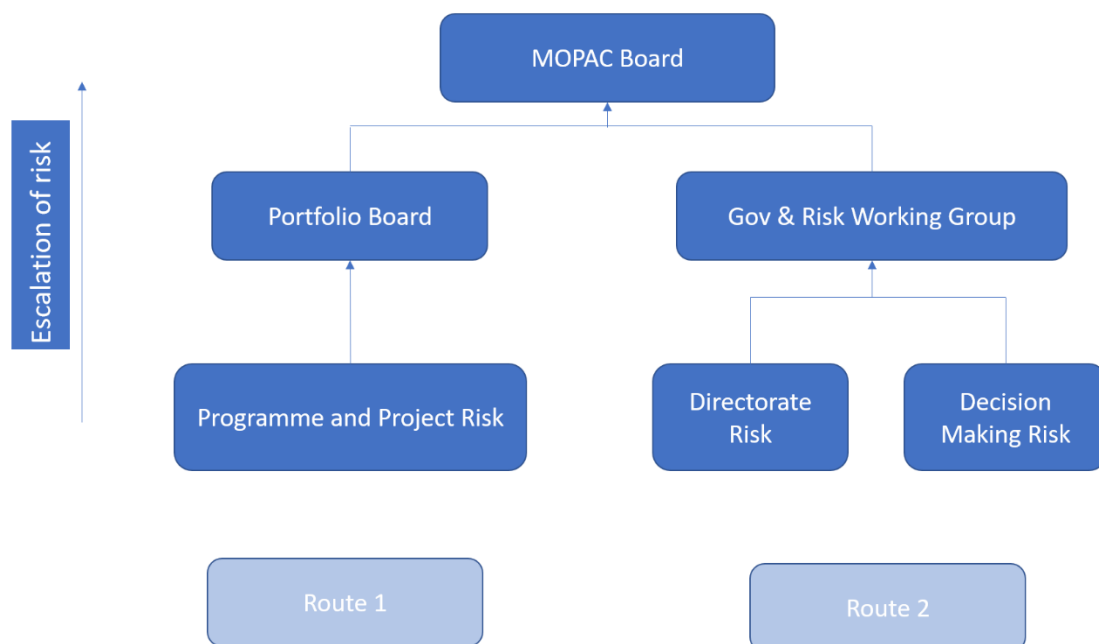
- When the risk has significant interdependencies or implications for other projects, programs, or portfolios.

In MOPAC, there are two routes for escalation.

Route 1 - For project and programme level risks, the Portfolio Board is the governance mechanism for reviewing the risk and agreeing additional controls and/or transferring the ownership of the risk to a higher authority.

Route 2 – For risks at a directorate level, or those derived from decision making, the Governance and Risk Working Group will assess the proposal for escalation and provide guidance.

As MOPAC work is dynamic, operating vertically and horizontally at different levels and across different areas, the escalation process must work in that way too. Portfolio Board occurs quarterly, whereas the Governance & Risk Working Group is more frequent, operating monthly. If the urgency of a risk escalation requires so, either route can be used to agree the response strategy, with MOPAC Board being the final decision point for risks to be escalated to the Corporate Risk Register.



Section 2: A Guide to Managing Risk

This guidance is not intended to be a rigid instruction manual for managing risk. Different situations demand different approaches. It does offer a process that can be to different circumstances, together with tools and techniques that will help you at the different stages of the risk management cycle.

Risk management is not conducted in isolation, involving different people increases the range of perspectives and leads to a deeper understanding of the operating environment, risks and how best to control them. Risks are also often 'shared', that is, they flow from the work of and have the potential to impact on two or more organisations. In these instances, the process is to be undertaken collaboratively and it is especially important that risk and action ownership is clear.

Stage 1: Identify

There are three things in particular to understand and identify at the outset of a given project, work-stream or when implementing risk management afresh. The first is the context within which the activity is taking place; the second is the level of risk appetite; and the third is the risks themselves – i.e. the uncertain threats and opportunities.

You need to:

- Clarify the scope and objectives of the activity/project/work and the outcomes being sought.
- Use tools such as horizon scanning and SWOT¹ and PESTLE² analysis to help understand the wider operating context.
- Identify and understand constraints and interdependences.
- Consider the flow of cause and effect and any unintended consequences that might arise from pursuing the outcomes.
- Use common and generic areas of risk as a step towards identifying specific risks.
- Align risks to objectives - at the next stage it will be easier to establish their potential impact
- Consider the context from Political, Economic, Social, Technological, Legal and Environmental perspectives.
- Involve a range of people with different perspectives and areas of expertise.
- Establish a risk register and begin to record the risks.
- Describe risks clearly and plainly, setting out the cause, the 'risk event' and the potential impacts.

At this stage you also need to identify:

- The risk appetite for the project or work area – i.e. the total quantum of potential risk that is tolerable given the benefits and/or opportunities at stake.
- A risk owner for each risk.
- Tolerances to trigger reporting or escalation of risk to the programme/project team and director.
- Potential Areas of Risk for MOPAC at **Appendix 1**.

By the end of this stage you will have:

- A partially populated risk register containing a long list of clearly articulated threats and opportunities with an owner for each.
- An agreed risk appetite for the area of work that is clearly documented, including within relevant project documentation (such as the project initiation document).
- Clear thresholds for escalating risks to those with ultimate accountability for the work.
- An understanding of when and how to escalate risks to the directorate and corporate levels.

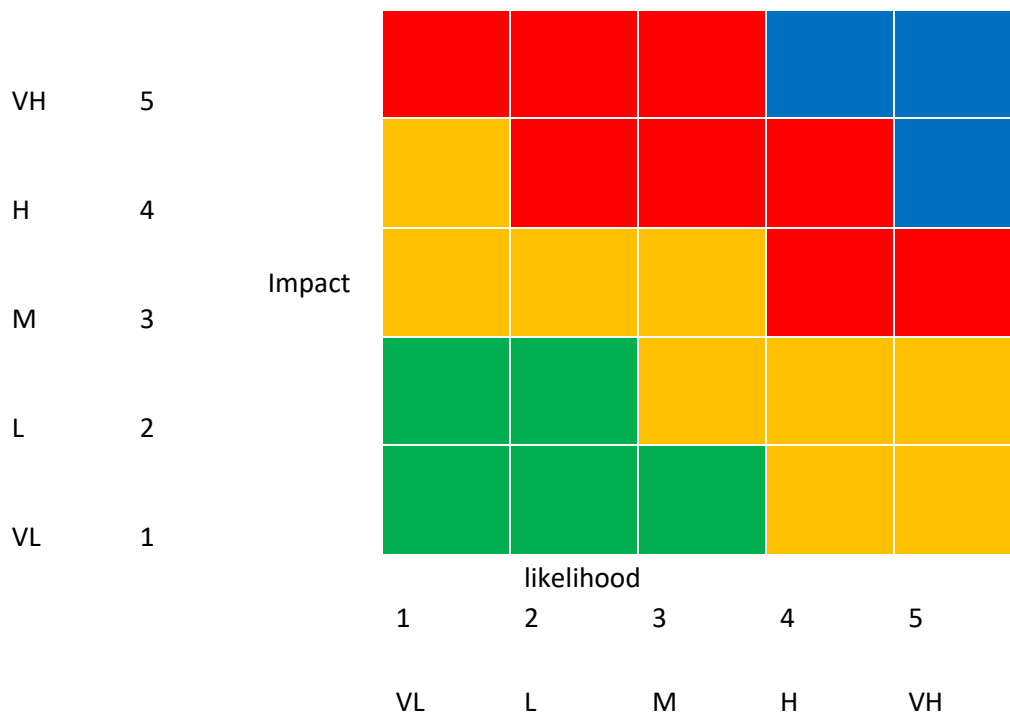
Stage 2: Assess

Risks need to be understood and prioritised this involves assessing risks against;

- **Probability:** the likelihood of a particular threat or opportunity actually occurring
- **Impact:** the estimated effect on one or more objectives of a particular threat or opportunity actually occurring.

Risks are assessed using a probability/impact grid. By plotting a risk against the two different dimensions we can derive a score and associated traffic light, and understand the seriousness of individual risks and also compare different risks. At this stage you are assessing the **inherent risk**; that is the probability and potential impact before any actions are taken to make the risk less likely to arise and/or to mitigate its impact if it does. You will draw on and develop the information gathered at stage 1.

RISK SCORE MAP



Inherent Risk = the amount of risk before the application of the risk reduction effects of controls.

Residual Risk = the amount of risk based on the effectiveness of **established** controls in place (current score). This score will change as **developing** controls are put in place.

Trend = progress of the developing controls which will affect the residual risk score.

Scoring Criteria

The criteria for scoring a) risk likelihood (will the risk materialise) and b) the impact should it occur are shown in **Appendix 2**. You should always use the 5x5 scoring system – and apply it consistently – but need to take context into account. What is crucial is that risks are scored within the context they are reported. A risk may be ‘red’ in the context of a given project, but escalated to the corporate risk register it may only be ‘amber’.

By the end of this stage you will have:

- A risk register that has been updated to include scores for the probability of each threat and opportunity materialising, the potential impact and the overall risk (remember, these are the **inherent** risk scores; i.e. before the impact of controls has been taken into account).
- An overview of the aggregate amount of risk exposure, for example by putting a financial value on possible risk impacts or creating a heat map (this involves plotting all the risks onto a probability/impact grid to understand how they are distributed).
- A clearer sense of whether a given activity or proposal has a favourable balance between risk and reward, i.e. whether to accept the risks given the benefits that may be accrued and/or the outcomes that are planned to be delivered.
- A hierarchy of risks, and an understanding of the urgency associated with individual risks, so that effort and resources can be directed effectively.
- A better understanding of which risks might need to be escalated to senior managers and the corporate level.
- An understanding of the correlation between risks.

Stage 3: Address

Prevention is better than cure that is the crux of this stage of the process, and risk management in general. Putting in place effective controls to address risks relies on good judgement and thorough analysis. The best response is the one which has the biggest impact on the level of risk exposure for the lowest cost. That means putting in place controls that are proportionate, economical, efficient, effective, timely, straightforward and practical.

The key steps at this stage are to:

- Determine which risks need to be controlled.
- Identify and implement controls that strike the optimum balance between cost/benefit.
- Using the probability/impact grid, assess and record the **residual**¹ probability, impact and overall scores for each risk, taking into account the likely effectiveness of control mechanisms implementing the controls.

The response to an identified risk may include one or a combination of the following:

¹ While the residual risk rating is forward looking, in that it looks at the position once control measures are in place, you need to consider and be realistic about the likelihood of the controls being successfully implemented, in sufficient time and having the intended mitigating effect. If their success is uncertain, you need to reflect that in the rating.

- **Terminate:** Cease the activity causing or contributing to the risk if it is too great for the organisation to bear or if ways to reduce it are impractical or overly expensive.
- **Treat:** Devise a control strategy of measures to reduce the probability of the risk occurring, or the severity of the impact if it does, and check regularly that these control measures are being implemented and are effective.
- **Transfer:** Move the risk to another party by sharing or contracting out all or part of the risk. (e.g. insurance is a method of transferring the financial effects of a risk to another party). This can be done through partnership agreements and commissioning – be careful to avoid transferring control of the risk without also transferring the potential negative impacts, for example reputational damage – particularly when that party has a lower capacity and capability for managing the risk than MOPAC itself.
- **Tolerate:** In some circumstances, it may be appropriate to simply tolerate the risk for example; there is nothing that can be practically done to limit the risk, implementing control measures would shift the balance between costs and benefits from favourable to unfavourable, control of the risk is properly the responsibility of another party, for example central government or the risk is of low probability and negligible impact.
- **Monitor:** Accept that the risk remains ‘live’ and ensure it is regularly monitored, without taking further action, if there are sufficient control measures in place.

By the end of this stage you will have:

- A residual probability and impact score for each risk.
- A completed (but not static) risk register.
- Where risks are particularly complicated or involved, a risk response plan.
- Escalated risks as appropriate to directorate and corporate levels.
- A good sense of the total quantum of risk (and an updated heat map, if you created one) associated with the activity.
- Where relevant, a sound basis for deciding whether overall benefits and rewards outweigh the potential threats and associated controls.

Stage 4: Reviewing and Reporting

New risks will continue to emerge, existing risks will change in nature, and the perceived effectiveness of controls will also change based on experience and evolving circumstances. It is, therefore, essential that risk is reviewed and reported on a periodic basis, but also flexibly when there are significant changes in circumstances or key decisions to take. Risk review should be a collaborative exercise drawing on input from risk and risk action owners and from others involved in the project or work area.

Risk review and reporting is to be integrated with other monitoring and reporting mechanisms, to help identify linkages and ensure there is a comprehensive picture of progress and future prospects. Early warning mechanisms should also be monitored, there may be merit in returning to some of those techniques deployed at stage 1, such as horizon scanning.

By the end of this stage you will have:

- Refreshed your environmental analysis, if there have been changes in the operating context.
- Added and removed risks from the risk register.
- Assured yourself that controls are in place or that good progress is being made to implement them.
- Reviewed the effectiveness and impact of controls and considered different approaches where necessary.
- Refreshed risk assessments, both inherent and residual.
- Considered and where relevant amended the risk hierarchy reassessed the overall level of risk, and in some cases risk appetite, associated with the activity decided whether or not to escalate any risks to the directorate or corporate level.

POTENTIAL AREAS OF RISK	
<ul style="list-style-type: none"> ▪ Changes in government policy, legislation or regulation ▪ Legislative breaches ▪ Financial/funding threats and opportunities ▪ Other limits on resources ▪ Changes in the economic climate ▪ Uncertainty arising from transformational change ▪ Social or demographic flux ▪ Technological change and failure ▪ Environmental issues ▪ Reputational impacts ▪ Governance and internal control arrangements ▪ Information governance 	<ul style="list-style-type: none"> ▪ Stakeholder and partner capacity and attitudes ▪ Threats to the health and safety of employees and public ▪ Business continuity and resilience issues arising from incidents such as fire, flood, terrorism and damage to buildings and/or plant ▪ Organisational or service capacity and capability ▪ Unintended consequences and externalities ▪ Perverse incentives ▪ Difficulties arising from working across organisational boundaries ▪ Staff morale ▪ Procurement ▪ Shifting priorities ▪ Changes in demand or public expectations

Criteria for Risk Likelihood

Impact	Score	Probability	
		%likelihood of occurrence this financial year or numbers of events in terms of year(s).	
Very High	5	≥ 75%	Once or more per year.
High	4	50% - 75%	More than once in two years.
Medium	3	20% - 50%	Between once in two to five years.
Low	2	5% - 20%	Less than once in five years.
Very Low	1	≤ 5%	Less than once in 20 years.

Note: Risk Score = Impact x Likelihood

Criteria for Risk Impact

Impact	Score	Impact Categories			
		Cost	Time	Public Perception	Reputation
		Decrease in revenue/increase in cost in financial year.	Delay to achievement of key milestone.	Reduction of Public Confidence in Police Service.	Level or type of media coverage/impact on relationship with stakeholders.
Very High	5	> £40m	≥ 52 weeks delay.	Catastrophic policing failing, Home Office intervention, ≥10% decrease in satisfaction ratings.	Prolonged, hostile media campaign. Reputational damage lasting ≥ 1 year. Challenge competence in key areas of public safety. Significant impact on stakeholder relations.
High	4	£20 - £40m	36 – 52 weeks delay.	Major adverse impact; prolonged civil disturbance, ≥ 5% decrease in satisfaction	Continuous hostile coverage. Reputational damage lasting ≤ 1 year. Results in major organisational change/ affects stakeholder relations.
Medium	3	£12 - £20m	24 – 36 weeks delay.	Significant adverse impact. Decrease in satisfaction of 1-5%	Critical coverage during an event. Stakeholder/regulator challenge/disruption increased parliamentary scrutiny.
Low	2	£4 – 12m	12 – 24 weeks.	Some adverse impact. Small decrease in satisfaction	Sporadic media coverage. Increased stakeholder/regulator scrutiny.
Very Low	1	<£4m	≤ 12 weeks	Small decreases in public satisfaction	Some negative coverage. Limited loss of stakeholder confidence.

MOPAC Risk Appetite Statement

A risk appetite statement is a written articulation of the degree of risk exposure, or potential adverse impact from an event, that MOPAC Board is willing to accept in pursuit of its objectives.

MOPAC seeks to minimise risks to its stated mission to:

- Support and challenge the Met to reform
- Reduce and Prevent Violence
- Increase trust and confidence in the MPS
- Better support victims
- Protect people from Exploitation and Harm

And

- Be fair and inclusive in all we do

Within this framework MOPAC is currently willing to adopt a higher risk appetite in specific areas in order to fulfil its vision that London is a safe city for all.

These areas where there is appetite for higher risk include.

- Major areas of work which are Board and/or Mayoral priorities with significant potential benefits, but MOPAC will seek to implement assurance mechanisms to manage and reduce consequential risks, including those to delivery.
- innovations, where outputs can be evidenced and evaluated;
- undertaking small exploratory and enabling projects to learn and to gather evidence;
- taking action – spending to save - to maximise investments where performance is poor and remaining assertive on performance management;

Through procurement and commissioning of services, MOPAC passes on a proportion of risk and reward to third parties, in particular to victim and offender services. This constitutes a medium risk appetite.

MOPAC has a low risk appetite around: transparency, governance, financial control, health and safety and security.

MOPAC has a very low risk appetite for fraud and regulatory breaches.

MOPAC measures individual risks against a risk matrix (as set out within the Risk Management Framework). This plots likelihood against impact for each risk and generates a RAG rating. Therefore, when looking at risk appetite the likelihood of the risk occurring is as important as the impact.

Risk Appetite is classified under 5 categories:

Averse to risk	VL	Avoidance of risk and uncertainty is a key objective / zero tolerance
Minimal risk	L	Preference for ultra-safe options that have a low degree of inherent risk and only have a potential for limited reward
Cautious to risk	M	Preference for safe options that have a low degree of residual risk and may only have limited potential for reward
Open to risk	H	Willing to consider all potential options and choose the one most likely to result in successful delivery, while also providing an acceptable level of reward and value for money
Ready for risk	VH	Eager to be innovative and choose options offering higher business rewards, despite greater inherent risk



MPS-MOPAC JOINT AUDIT PANEL 2 October 2023

Met Risk Management Report

Report by: Chief Strategy and Transformation Officer

Non-restricted paper

Overall Summary of the Purpose of the Report

To provide:

- An overview of the results of work commissioned to review and refresh the Met's approach to risk and assurance.
- A summary of the Met's proposed risk and issues register refreshed to align to a New Met for London (see Annex B).

Key Considerations for the Panel

1. The Met's Audit and Risk Assurance Committee (ARAC) discussed the outcome of the corporate risk management framework refresh at its meeting on 6 September 2023.
2. ARAC agreed, with amendments, the Risk Management Statement (Annex A). The amendments are being addressed and will be approved out of committee. At the time of writing, these have not yet been signed off.
3. ARAC agreed in principle to the development of Risk Appetite Statements through a facilitate workshop with Management Board.
4. ARAC agreed in principle to build risk capability across the Met through training and facilitated masterclasses. Options on how this will be delivered will be scoped in conjunction with Learning and Development and reported back to a future ARAC.
5. ARAC broadly agreed that the proposed risks and issues (Annex B) reflect current challenges. However, they asked for each risk and issue to be expanded to give more context and information on current controls before determining whether they should be accepted or remitted to another Board / Committee.

Interdependencies/Cross Cutting Issues

- The Met's governance improvement plans reported in a separate paper to this meeting include controls for some of our risks.

Recommendations

Audit Panel are asked to:

1. Note the changes to the Met's approach to risk management and the further work taking place to support those changes.
2. Note the work taking place to refresh key corporate risks and issues;
3. Endorse the changes to the risk management approach.

1. Context for the review of risk management

- 1.1. With the publication of A New Met for London, it was the right time to review and improve the Met's overall approach to risk and assurance. The criticality of this work became more evident since the Met was placed into the Engage phase of monitoring by HMICFRS and the regularity and depth of scrutiny of what we do became greater. The publication of Baroness Casey's review also added more pressure to ensure we better understand and control our risks and effectively self-assure we are delivering what we set out in A New Met for London.
- 1.2. The purpose of the review was to ensure:
- Corporate risks and issues reflect our objectives in A New Met for London.
 - The corporate risk management framework is effective and has adequate governance, accountability and clear roles and responsibilities at every level.
 - The levels of risk acceptable to the Met are clearly defined.
 - The control framework (preventative and mitigating) is clearly understood and defined to reduce or manage risk toward acceptable and appropriate levels.
 - Risk and issue monitoring and reporting is applied consistently across the Met (including at the strategic level) and assures the efficacy of controls.
 - The Met has an effective assurance function at all levels of the organisation and is aligned to our risk framework and processes.

Update following Risk and Assurance Committee (6 September 2023)

2. Risk Management Framework

- 2.1. As part of building a well-run organisation, an important objective in A New Met for London, we have undertaken a full review and refresh of the Met's Risk Management Framework, adopting best practice from the HMG 'Orange Book of Risk Management', Alarm (a public sector risk management body), and from a peer review of how other law enforcement bodies manage risk. We have also worked closely with DARA to ensure it meets their expectations. We're committed to working with the NPCC as they develop their own strategic risk approach, sharing best practice.
- 2.2. The revised framework includes the introduction of risk appetite and risk tolerance for use across the entire Met and has a stronger focus on integrating risk into business planning and performance.

Risk Management Statement

3. An important new element of the framework is a Risk Management Statement that aligns with our new organisational values and guiding principles (Annex A). It sets out our vision for risk management and provides a statement of intent to support and underpin the framework itself. It should be understood at all levels of the Met. A lively discussion at ARAC resulted in agreement of the Risk Management Statement, once a small number of amendments are made; these are focused on tightening language (including specific reference to our workforce), being explicit around expectations and adding more around the offer of support. The amendments are being addressed and will be approved out of committee. At the time of writing, these have not yet been signed off.

Risk Appetite and Tolerance Levels

- 3.1. The benefits of setting risk appetite were discussed by ARAC and eight risk categories were proposed (these are in line with HMG guidance, consistent with how other police forces categorise risks, and based on analysis of historically reoccurring risk themes and areas):
- Public Trust and Confidence
 - Service Delivery
 - People
 - Finance and Commercial
 - Legal and Regulatory
 - Health, Safety and Wellbeing
 - Technology, Information and Data
 - Transformation

ARAC agreed that the Met should develop and set Risk Appetite Statements for the identified risk categories and work within associated risk tolerance levels. These will now be developed with senior leaders.

Embedding an improved risk management culture

- 3.2. To support and improve risk management culture, ARAC agreed to mandate the use of a simplified corporate risk register template across all OCU/BCUs (except Specialist Operations, who use risk management software to align with CTPHQ). This will ensure risk management across the Met is consistent and aligned to the corporate approach. We will look to pilot our new approach and framework in a small number of business areas.
- 3.3. We are working with the Strategic Secretariat to ensure all papers for Management Board and ExCo discussion are clearly linked to, or cognisant of, corporate risk and issues. This will ensure time is spent discussing those matters of most significance to the Met and will highlight any gaps.
- 3.4. We have re-introduced a risk radar to ensure we capture and consider emerging corporate risks.
- 3.5. ARAC agreed in principle to build risk capability across the Met through training and facilitated masterclasses. Options on how this will be delivered will be scoped in conjunction with Learning and Development and reported back to a future ARAC.

Refreshed Corporate Risk and Issues Register

- 3.6. To ensure the refreshed register (Annex B) is aligned to A New Met for London, we conducted a gap analysis between the existing register and A New Met for London itself and identified missing thematic risk areas. We shared a proposed refreshed register with Management Board members (and some of their delegated Directors) and ran a series of interviews to answer the following questions:
- *Is there anything else in A New Met for London that you think might present a significant, corporate risk?*
 - *Do you agree with the proposed amendments and additions?*
- 3.7. Management Board members were largely content that the correct risk and issue themes were identified but said that some descriptions needed to be more focused or nuanced. Members also wanted corporate issues to be described more acutely.

- 3.8. In the refreshed register we have aligned risks and issues more explicitly to four broader strategic risks – the risk that we:
- Fail to restore trust
 - Fail to reduce crime
 - Do not raise standards sufficiently
 - Fail to fix our foundations
- 3.9. We proposed to ARAC, 10 thematic ‘drivers’ for these strategic risks to be addressed:

Overarching strategic risk	Thematic risk area
We fail to restore trust	<ul style="list-style-type: none"> • Community Engagement • Victim Care
We fail to reduce crime	<ul style="list-style-type: none"> • Public Protection • Crime Prevention • Criminal Justice
We do not raise standards and change culture sufficiently	<ul style="list-style-type: none"> • Standards
We fail to fix our foundations	<ul style="list-style-type: none"> • Cyber • Critical Technology Reform - Command and Control • Workforce • Reform Delivery

- 3.10. And we proposed seven corporate issues:

Overarching strategic risk	Thematic issue area
We fail to restore trust	<ul style="list-style-type: none"> • Culture
We do not raise standards sufficiently	<ul style="list-style-type: none"> • Vetting
We fail to fix our foundations	<ul style="list-style-type: none"> • Critical Technology Reform - CONNECT • Workforce • Recruitment • Demand and Strategic Planning • Money

- 3.11. ARAC broadly agreed that the proposed risks and issues reflect current challenges. However, ahead of the facilitated workshop to develop the Risk Appetite Statements, they asked for each of the proposed risk and issues to be expanded upon to give more context and information on current controls. This will assist in determining whether they should be accepted at the corporate level or remitted to another Board / Committee. At the time of writing this work is underway and will be complete before the next ARAC in December.
- 3.12. ARAC also discussed the possible inclusion of a meaningful counter terrorism risk around preparedness at the corporate level; this is to ensure that the Met is clear on where we are managing and discharging the risk and articulate the decision formally. The Chair requested this be explored for reporting back to the next ARAC.

Deep-dive process

- 3.13. ARAC members agreed to re-introduce a deep-dive process to ensure that risk owners are fully cognisant of the effectiveness of the controls for their risk areas and identify areas of support required. The deep dives will be identified according to need and assurance requirements.
- 3.14. The primary objective will be for the risk owner to demonstrate at the next ARAC:
- An understanding of the drivers and causes and the extent to which they can control, influence, or monitor it;
 - How effective controls have been to date and how they are implementing organisational learning; and
 - What successful risk management looks like and what difference current plans will make.

Key changes in issue profile**4. Key changes in pre-refreshed risk and issue profile**

- 4.1. **Money (Issue 5)** - the issue score has remained static at Very High Impact; however, an improving trend was reported:

- PBB proposal approved by PIB and presented to IAM.
- Q1 scrutiny panels are now underway.
- New governance in place from September.
- Budget workshop with Commissioner and DMPC taken place

- 4.2. **Public and Local Engagement (Risk 11)** – the risk score has remained static at High Likelihood v High Impact;

- There has been progress in the development and implementation of the London Police Race Action Plan, with a Programme Director appointed and recruitment of LRO workstream leads complete.
- July saw the soft launch of Rapid Polling that provides demographic, gender, and location data on views of public and actionable information of local ward officers.
- Local communication and engagement discovery work has been developed in three boroughs to assess what additional communication and engagement best practice could be implemented.

5. Equality and Diversity Impact

Individual control owners should ensure that their work to prevent and mitigate corporate risk has a positive race and diversity impact. Equality impact assessments will be undertaken on significant programmes of work.

6. Financial Implications

It is anticipated that the costs associated with the areas of work identified in the register will be met from the relevant unit's staff and officer budgets. Any funding required over and above these existing budgets will be subject to the normal MOPAC/Met governance approval and planning processes.

7. Legal Implications

There are no direct legal implications arising from the recommendations contained in this report. Regulation 3 of the Accounts & Audit Regulations 2015 requires both the MOPAC and the Commissioner, as relevant authorities, to ensure that they have a sound system of internal control, which includes effective arrangements for the management of risk.

8. Risk Implications

The corporate risk report assists the Met to manage and track risk to the achievement of organisational objectives focusing particularly on whether controls are fit for purpose and manage risk areas as intended.

9. Contact Details

Report author: Tracy Rylance, Strategy & Transformation

Annexes

Annex A – Draft Risk Management Statement

Annex B – Proposals for Corporate Risk & Issue Register – September 2023

Annex C – Summary of Corporate Risk Management Framework

MPS Risk Management Statement

Annex B

Annex A: Draft Risk Management Statement

Our Vision for Risk Management

We are committed to effective risk management and our priority is to reduce those risks that would prevent us from achieving our mission of More Trust, Less Crime and High Standards and delivering the reform set out in A New Met for London. We fully endorse our risk management framework as a way of working that will underpin and support our success.

We will demonstrate an ongoing commitment to improving risk management throughout the MPS. When we do this well, we ensure that Londoners are more safe and secure, and we are not surprised by things that could have been foreseen. We will do this according to our values of respect, integrity, empathy, courage, and accountability.

We will not stifle innovation and will encourage responsible risk-taking and experimentation to enable delivery. We will operate according to our guiding principles, being collaborative in our approach to risk management when necessary.

We will ensure three things:

1. Leadership

Our leaders embody and embed a culture of responsible risk-taking and encourage officers and staff to be innovative in their solutions. They will ensure that our people feel comfortable raising risks and will not be seen as unduly negative for doing so.

2. Awareness and Skills

All our people have an awareness and understanding of the risks that affect our communities, our colleagues, and our performance.

- Managers will encourage staff to spot risks so there are no unwanted surprises.
- We will actively communicate significant risk information among officers, staff, partners, and suppliers to ensure a precise understanding.
- Our people will have access to the right risk advice and guidance. Those that specialise in risk management will receive training to support them further.

MPS Risk Management Statement

Annex B

- We will collaborate with partners to identify shared risks and develop appropriate response plans.

3. Framework and Approach

We have clear processes that enable the effective management and escalation of risk, driving better decision-making and providing assurance to Management Board.

- We will identify people to own the actions to tackle risks and hold them to account through robust governance.
- We will assess risks with integrity and act to prevent, control or reduce them to an acceptable level. Our people will have the freedom and authority they need to take action to tackle risks, escalating them where necessary.
- We will continue to improve our risk management process, bringing it closer to our processes for audit and inspection and those of our partners and suppliers. We will conduct risk management health checks to track progress.
- Fundamentally, we will improve our performance in managing risk. We will measure our risk exposure and reduce this over time.

Annex B – Proposals for Corporate Risk & Issue Register – September 2023

Risk

Issue

	Trend	Description	Owner	Working Lead	Current Score	Risk Appetite Category	Within Appetite?	Within Tolerance?
1. We fail to restore trust		a. Community Engagement: Failure to ensure meaningful engagement and embed the communities-first principle across the organisation will lead to a continued low level of trust.	AC Frontline Policing			Public Trust & Confidence		
		b. Victim Care: Failure to provide a consistent and compassionate service to all victims leads to poor victim satisfaction levels and a loss of trust and confidence.	AC Operations and Performance			Service Delivery		
		c. Culture: The behaviour of a minority of our workforce is currently failing to embody Met values.	AC Professionalism					

	Trend	Description	Owner	Working Lead	Current Score	Risk Appetite Category	Within Appetite?	Within Tolerance?
2. We fail to reduce crime		a. Public Protection: Failure to sufficiently resource public protection to deliver an effective service to those most in need.	AC Frontline Policing			Public Trust & Confidence		
		b. Crime Prevention: Insufficient and ineffective crime prevention fails to target the most harmful offenders and prevent victimisation, undermining community confidence.	AC Operations and Performance			Service Delivery		
		c. Criminal Justice: Failure to improve case file quality leads to a failure to bring offenders to justice and a poor outcomes for victims.	AC Operations and Performance			Service Delivery		

	Trend	Description	Owner	Working Lead	Current Score	Risk Appetite Category	Within Appetite?	Within Tolerance?
3. We do not raise standards sufficiently		a. Standards: Failure to eradicate discriminatory behaviour and ensure robust performance management leads to a further erosion of trust and confidence among staff, communities and partners.	AC Professionalism			Public Trust & Confidence		
		b. Vetting: Our vetting systems and processes do not support the effective operation of the organisation.	AC Professionalism			Public Trust & Confidence		

	Trend	Description	Owner	Working Lead	Current Score	Risk Appetite Category	Within Appetite?	Within Tolerance?
4. We fail to fix our foundations		a. Cyber : Lack of preparedness to deal with a sophisticated attack leads to a compromise in confidentiality, integrity and accessibility of our IT systems and data.	Chief Digital, Data and Technology Officer			Technology, Information & Data		
		b. Critical technology reform : Failure to successfully deliver Command and Control and realise benefits, significantly undermining operational delivery.	Chief Strategy and Transformation Officer			Technology, Information & Data		
		c. Workforce : Failure to ensure our workforce is appropriately skilled & supervised to deliver effectively leads to service failures.	Chief People and Resources Officer			People		
		d. Reform delivery : Failure to plan for and manage the cumulative impacts of large-scale reform (including the capacity of enabling capabilities).	Chief Strategy and Transformation Officer			Service Delivery		
		e. Money : Inability to identify savings to enable us to deliver a balanced budget for 2024/25	Chief People and Resources Officer			Finance / Commercial		
		f. Critical technology reform : CONNECT functionality is not performing as expected.	Chief Strategy and Transformation Officer			Technology, Information & Data		
		g. Workforce : We do not have the right numbers of officers in the right roles to provide a resilient service.	Chief People and Resources Officer			People		
		h. Recruitment : We are failing to attract, recruit and retain people to ensure we have a sufficient, suitable and diverse workforce and support their progression within the organisation.	Chief People and Resources Officer			People		

	Trend	Description	Owner	Working Lead	Current Score	Risk Appetite Category	Within Appetite?	Within Tolerance?
4. We fail to fix our foundations (continued)		i. Demand and strategic planning: We do not currently understand the full picture of demand across the organisation, hindering our ability to plan.	Chief People and Resources Officer / Chief Strategy and Transformation Officer			Service Delivery		
		j. Money: There is insufficient funding available to deliver A New Met for London and deliver the performance outcomes required for the organisation.	Chief People and Resources Officer/Chief Strategy and Transformation Officer			Finance / Commercial		

MPS Risk Management Framework Executive Summary

Annex A

Annex C: Summary of Risk Management Framework

Risk management is a way of working, not just a process. It is inherent in all areas of policing, and doing it effectively is critical for the success of any organisation. Through this framework, we provide a structured, standardised way to deal with uncertainty and help everyone in the organisation manage the risk in their area effectively.

What is a risk and what is an issue?

A risk is defined by the International Risk Management Standard (ISO31000) as “the effect of uncertainty upon objectives”.

Risk	Issue
Something that might or might not happen in the future that may impact upon your aims and objectives.	Something that is currently happening or already happened that already does impact on your aims and objectives.

We promote proportionate risk management by both focusing on *key* risks and *key* controls at a strategic level and at the same time supporting empowered, local decision-making. A proportionate approach means we manage these risks in a systematic way designed to add value to the organisation and drive better performance.

Risk perception

Everybody’s perception of risk is different. A person’s propensity to take risk is determined by their perception of the situation, experience in similar situations and their personality. We will undertake risk identification and assessment as a collective to remove some of this subjectivity, moving towards a standardised approach and the introduction of appropriate risk controls.

Risk appetite

The delivery of policing is inherently risky, and it is accepted that, to meet its objectives, the Met must take risks in a considered and controlled manner. Risks will arise where the urgency of the situation can reduce the amount of time to fully evaluate the risks, but quick decisions must be made based on the best information available. There are three pieces of information that will inform those decisions:

**MPS Risk Management Framework
Executive Summary**

Annex A

- **Risk appetite** is an expression of how much risk an organisation is prepared to take or be exposed to in order to meet its long-term strategic objectives (before action is deemed necessary to reduce the risk).
- **Risk tolerance** identifies the specific minimum and maximum levels beyond which an organisation is not prepared to operate (without prior approval at the appropriate level).
- **Risk target** is the position where it is acceptable to the organisation with effective sustainable controls in place and no further controls required. This is the amount of risk you are willing to accept.

There are five levels of risk appetite in the Met:

Appetite	Description
Brave	Eager to be innovative and to choose options based on maximising opportunities and potential higher benefit even if those activities carry a very high residual risk.
Open	Willing to consider all options and choose one most likely to result in successful delivery while providing an acceptable level of benefit. Seek to achieve a balance between a high likelihood of successful delivery and a high degree of benefit and value for money. Activities themselves may potentially carry, or contribute to, a high degree of residual risk.
Moderate	Preference for safe options that have low degree of inherent risk and only limited potential for benefit. Willing to tolerate a degree of risk in selecting which activities to undertake to achieve key deliverables or initiatives, where we have identified scope to achieve significant benefit and/or realise an opportunity. Activities undertaken may carry a high degree of inherent risk that is deemed controllable to a large extent.
Cautious	Preference for very safe business delivery options that have a low degree of inherent risk with the potential for benefit/return not a key driver. Activities will only be undertaken where they have a low degree of inherent risk.
Averse	Avoidance of risk and uncertainty in achievement of key deliverables or initiatives is the key objective. Activities undertaken will only be those considered to carry virtually no inherent risk.

MPS Risk Management Framework Executive Summary

Annex A

Management Board will be required to review and agree the level of risk appetite appropriate for each risk category at least annually.

Governance and accountability

The risk management framework is a critical supporting document for the Met's governance and continuously interacts with it.

Management Board

Individual Management Board members will:

- support and endorse the Risk Management Statement;
- lead work to manage and address corporate risks;
- require proportionate information on risk when making decisions and provide challenge where necessary;
- ensure appropriate communication of risk-based decisions;
- raise risks for consideration at the corporate level;
- Seek assurance that corporate level risks are effectively managed.

Audit, Risk and Assurance Committee

This will be the primary committee for assuring ourselves that strategic risks, including to the delivery of A New Met for London, are being managed effectively. Key responsibilities include:

- commissioning an annual review of existing and emerging corporate risks and monitor progress against them.
- undertaking a series of quarterly deep dives into corporate risks.
- holding senior leads to account for taking action to address corporate risks.
- setting appropriate risk appetite and tolerance levels;
- evaluating the maturity of this framework annually and implement plans for improvement

Chief Officer Group (COG) and Senior Leadership Teams (SLT)

These groups will ensure there is effective governance and application of the risk management framework at a business group/BCU/OCU level, seeking assurance that risks and opportunities are being managed effectively. They will:

MPS Risk Management Framework Executive Summary

Annex A

- review significant business group/BCU/OCU level risks and monitor them, holding risk owners to account for the actions required to address them.
- escalate risks when they cannot be managed within existing resources or would significantly impact beyond the remit of the business group if they occur.
- ensure processes are in place to identify and consider emerging risks.
- assess the maturity of risk management at business group/BCU/OCU level and implement improvement plans if required, ensuring learning is acted upon.

Risk Owner

This is the individual who is accountable should the risk materialise. The risk owner must be a member of the COG or SLT at a business group/BCU/OCU level and of a sufficient level within programmes and projects to coordinate any work required. They will:

- provide leadership in the risk management process.
- hold risk leads to account and provide strategic direction where appropriate.
- review and monitor risks.
- ensure learning is shared and acted upon.

Risk escalation

Risks are escalated in line with the agreed risk appetite and tolerance for each risk category:

- When the current score for a risk exceeds the tolerance level for its category, it must be escalated to the next level to ensure scrutiny and to determine the action and/or controls required to bring the risk back within tolerance.
- If a current risk score is in excess of appetite but still within tolerance for its category, it should be escalated to the next level for information and close monitoring only. Corrective action should be taken to bring the risk back within appetite.
- If a risk remains outside of appetite for longer than six months, it should be formally escalated for a decision as to whether further escalation to the corporate level is appropriate. This decision will be taken using the collective professional judgment of the governance forum as to whether the risk requires visibility at wider organisational level or even requires an organisational response.

MPS Risk Management Framework Executive Summary

Annex A

Reporting and recording

Corporate risks are reported on quarterly to Risk and Assurance Committee, providing assurance that risks are being managed effectively and informing decision-making when further activity is required. The key considerations and decisions of Risk and Assurance Committee will be recorded and reported on at the Joint MPS/MOPAC Audit Panel for independent scrutiny.

Each business group is expected to discuss risk regularly, including through their formal governance (COGs and SLTs). They should receive, review and act upon risk management reports. To ensure an effective and consistent approach across the organisation, the corporate risk register must provide the template for all their risk recording and management.

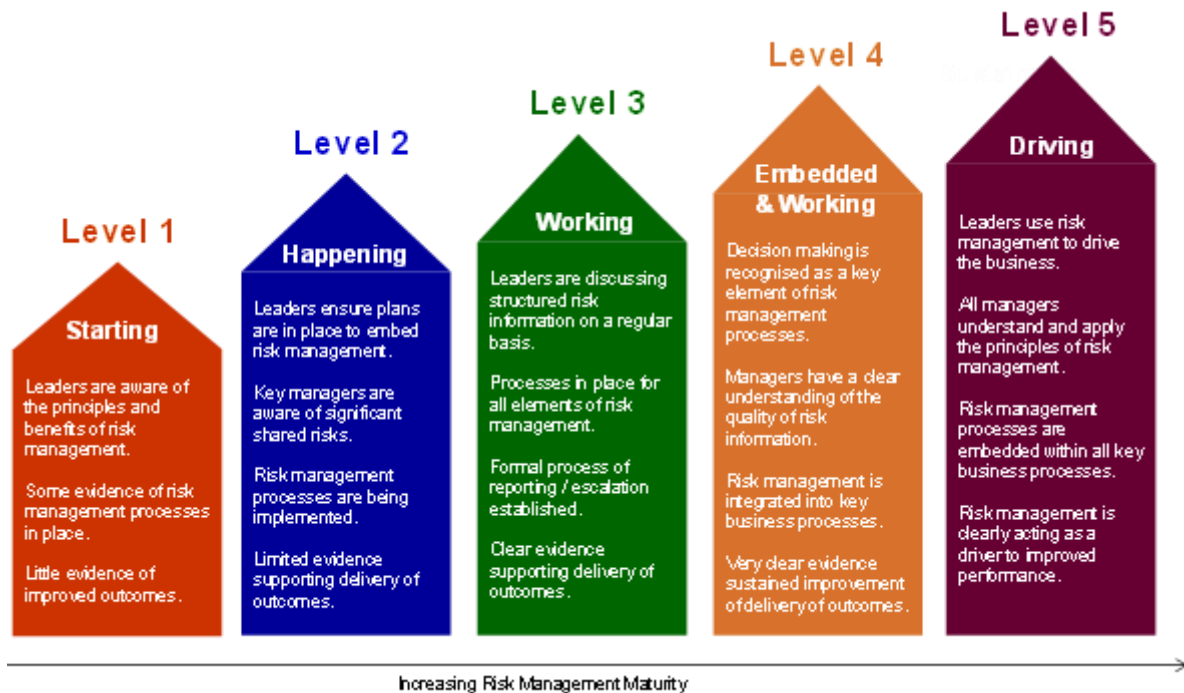
Risk Maturity

A risk maturity model is designed to assess risk management capability within an organisation. The model used within the Met rates the level of maturity of risk management on a 1 to 5 basis, 1 being the lowest score (starting to embed risk management) up to 5 the highest, (risk management is a key driver for the business).

Figure 1: Risk maturity model

MPS Risk Management Framework Executive Summary

Annex A



Each level of the model looks at five areas needed to enable risk management; these enablers are:

- leadership and management,
- strategy and policy,
- people,
- processes,
- shared risks.

Annually, BCU/OCUs will be required to conduct a self-assessment by answering a series of questions related to their respective risk management processes. This health check seeks to establish how efficient and effective our risk management culture is. The Strategic Planning and Risk Team conducts dip-sampling and capture evidence-based examples to verify the assessments.

MPS-MOPAC JOINT AUDIT PANEL 2 October 2023

External Audit Update

Report by: The Interim Chief Finance Officer and Director of Corporate Services and
MPS Interim Chief Finance Officer

Report Summary

Overall Summary of the Purpose of the Report

This paper provides the regular update Audit Progress Report and Sector Update, and includes an update on the 2022/23 audit of the financial statements and value for money work.

Key Considerations for the Panel

To note the Audit Progress Report.

Interdependencies/Cross Cutting Issues

The external audit function provides an independent opinion on the statutory accounts and the arrangements for delivering value-for-money which are used as a basis to inform the AGS and governance improvement.

Recommendations

The Audit Panel is recommended to:

- a. Note the Audit Progress Report

1. Supporting Information

Audit Progress and Update Report - Appendix One

- 1.1. The audit of the financial statements is progressing well in line with the agreed timetable. With the exception of a financial reporting issue relating to the pensions there are no significant issues. Subject to the resolution of the pensions matter the audit work is due to complete by the end of September.
- 1.2. Value for money work began early September. Annual leave has meant delays in information being provided, however the provision of information is now being treated as a priority.
- 1.3. The Audit Fundings Report should be complete in time to come to January's Audit Panel.

2. Equality and Diversity Impact

There are no equality and diversity implications directly arising from this report.

3. Financial Implications

The proposed fee for 2022/23 is £169,108 and £136,700 for MOPAC and MPS respectively. Costs will be met from existing resources within MOPAC and the MPS.

4. Legal Implications

There are no direct legal implications arising from the report.

5. Risk Implications

This paper relates to the corporate risk register entries for resources and value for money

6. Contact Details

Annabel Cowell - Deputy Chief Finance Officer MOPAC

7. Appendices and Background Papers

Appendix 1 – Audit Progress Report and Sector Updates

Mayor's Office for Policing and Crime The Commissioner of Police of the Metropolis Audit Progress Report and Sector Update

Year ending 31 March 2023

September 2023



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Key Grant Thornton team members



Mark Stocks

Key Audit Partner/ Relationship Partner

T 0121 232 5437

E Mark.C.Stocks@uk.gt.com

Mark will have ultimate responsibility for the delivery of your audit service. Specifics of the role include:

- leading our relationship with the Mayor's Office for Policing and the Commissioner of Police of the Metropolis;
- ensuring you have access to Grant Thornton's full service offering;
- reviewing the audit file, giving particular focus to any key areas of risk or critical judgements exercised during the audits;
- reviewing and signing off all audit reports;
- attending Joint Audit Panel to discuss key issues arising from our work and any recommendations;
- acting as a 'sounding board' on key decisions relevant to our responsibilities as your auditors; and
- sharing good practice identified at other organisations.



Alex J Walling

Director

T 0117 305 7804

E Alex.J.Walling@uk.gt.com

Working alongside Mark, Alex will have responsibility for the delivery of your audit service. Specifics of the role include:

- having a relationship with the Mayor's Office for Policing and the Commissioner of Police of the Metropolis;
- being a key contact for the Chief Finance Officers and the Joint, Audit Panel meeting frequently with key members of management;
- taking responsibility for delivering high quality audits which meet professional standards;
- agreeing with you the annual joint audit plan, and a timetable for delivering the work;
- reviewing the audit file, ensuring our high quality standards have been met;
- reviewing all audit reports; and
- attending Joint Audit Panel to discuss key issues arising from our work and any recommendations.

Key Grant Thornton team members



Parris Williams

Senior Manager

T 020 7728 2542

E Parris.Williams@uk.gt.com

Parris is responsible for planning, managing and leading the audit and providing feedback to you throughout the audit process. Parris is responsible for audit quality, project management of the audit, ensuring the audit requirements are fully complied with. He will respond to ad-hoc queries whenever raised and meet regularly with the Chief Finance Officers and members of the finance team. Specifics of the role include:

- ensuring responsibility for delivering high quality audits which meet professional standards;
- drafting audit reports;
- ensure key matters which arise during the audits which were not identified at the planning stage are properly assessed and dealt with;
- review the work of in-charge auditor and the wider fieldwork team;
- manage, motivate and coach team members; and
- attending and contributing to senior audit liaison meetings, sharing good practice identified at other organisations.



Jasmine Kemp

Audit In-Charge

T 020 7865 2682

E Jasmine.R.Kemp@uk.gt.com

Jasmine will work as part of the team, leading the on site audit team, providing a service which meets or exceeds client expectations and supports the engagement lead / manager team. Specifics of the role include:

- taking an active part in the audit planning discussions to identify audit risks and appropriate audit strategy;
- communicating any issues relating to the audit with the engagement manager or engagement lead;
- overseeing all aspects of audit fieldwork and completion;
- addressing and discussing queries in respect of technical and audit issues identified during the course of the audit;
- maintaining good working relationships with client staff; and
- delegating work to other members of the audit team, ensuring they understand their responsibilities and have received appropriate on-the-job training / coaching.

Introduction & headlines

This paper provides the Joint Audit Panel with a report on progress in delivering our responsibilities as your external auditors

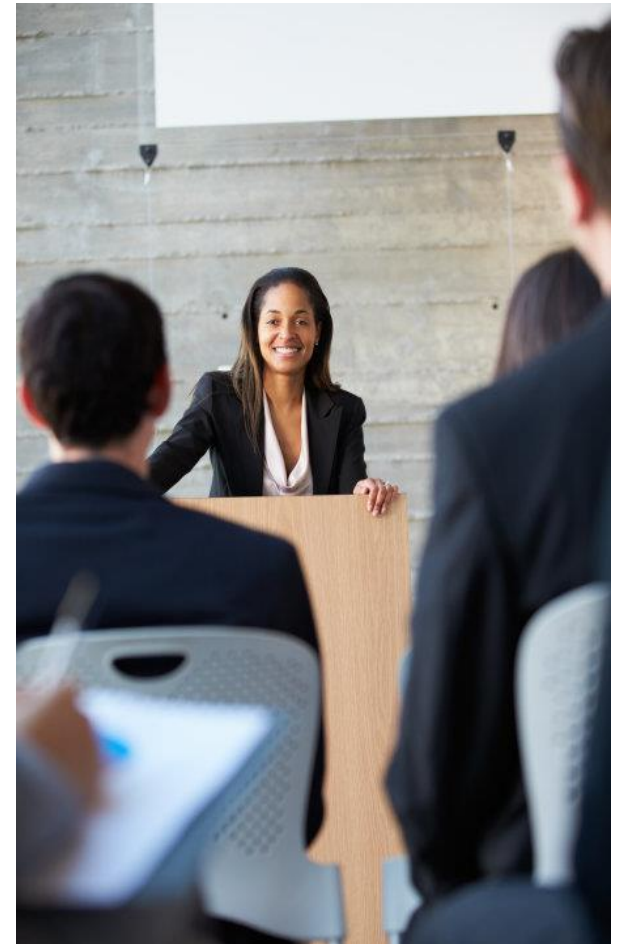
The paper also includes a summary of emerging national issues and developments that may be relevant to you.

Members of the Joint Audit Panel can find further useful material on our website where we have a section dedicated to our work in the public sector. Here you can download copies of our publications.

If you would like further information on any items in this briefing or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.

We continue to bring specialists to our update conversations where appropriate to share any learning from our position as a leading audit supplier to the police sector.

You will also have access to our annual Chief Accountant Workshops and any other networking opportunities we create for the various stakeholders.



The auditor's statutory responsibilities

Opinion on the audited body's financial statements

Our work enables us to give an opinion as to whether the financial statements:

- give a true and fair view of the financial position of the audited body and its expenditure and income; and
- have been prepared properly in accordance with the relevant accounting and reporting framework as set out in legislation, applicable accounting standards and other directions.

Our planning will document our understanding of your key risks, your control environment and inform our testing strategy. This will continue until we begin our final accounts testing.

Since we last reported we have:

- continued to have regular discussions with management discussing issues identified in previous audits, and emerging themes which are expected to impact on the current audits;
- reviewed meeting papers and the latest financial and operational performance reports ensuring we understand your current challenges;
- considered any reports from regulators regarding your operational effectiveness.

We expect to issue our joint audit plan summarising our approach to key risks on the audit in May 2023. We will report any key findings from the planning and interim audit visit in our progress reports to Joint Audit Panel.

We will deliver our final accounts audits in July to September and summarise our work in the Auditor's Annual Report.

Work on value-for-money arrangements

Under the 2020 Audit Code of Practice, we are required to undertake sufficient work to satisfy ourselves that the Mayor's Office for Policing and Crime and the Commissioner of Police of the Metropolis "has made proper arrangements for securing economy, efficiency and effectiveness in their use of resources."

Our initial risk assessment will build on our understanding of your arrangements, taking into account any findings from previous work on value for money. We will report our risk assessment findings in our Audit Plan which we plan to issue in May 2023. This will then be reported to the Joint Audit Committee at the next available meeting. We will report against the following criteria:

- Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the body ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.

We will keep our risk assessment under continuous review. Where appropriate, we will update our risk assessment to reflect emerging risks or findings and report this to you. Our final commentary in the Auditor's Annual Report will include:

- a summary of our findings on any risks identified during our work;
- our judgements on the adequacy of the Police and Crime Commissioner and Chief Constable's arrangements for each of the three reporting criteria, as set out above;
- any recommendations made to management as a result of our work; and
- a follow up of progress against any recommendations raised in previous audits.

The auditor's statutory responsibilities

Other responsibilities

We are required to give an opinion on whether:

- other information published together with the financial statements is consistent with the financial statements.

We are also required to:

- consider whether the Annual Governance Statement complies with relevant disclosure requirements and whether it is consistent with the information we are aware of from our audit; and
- examine and report on the consistency of 'Whole of Government Accounts' consolidation schedules with the financial statements.

We will complete this work as part of our financial statements visit.

Other statutory duties

The Local Audit and Accountability Act 2014 ('the Act') also requires us to:

- report to you if we have applied any of the additional powers and duties ascribed to us under the Act; and
- to certify the closure of the audits.

Our work to date has not required us to report any such matters to you.

Added value

Grant Thornton has a large Public Sector practice and is a key supplier to the market. As a valued audit client, you will receive:

- the opportunity to access support from experienced technical colleagues. This means you will be at the forefront of accounting developments. Through this relationship we also ensure that communication works both ways and feed issues back from our clients.;
- insight from our regular meetings within the sector where we discuss emerging developments. We will also raise any areas of concern that you have over policy, procedure, or regulation with your regulators; and
- technical and sector updates for the Joint Audit Panel.



Progress at September 2023

Financial Statements Audit 2022/23

We were provided with the draft financial statements in line with the agreed timetable and a set of good working papers. As in previous years, your finance team have engaged well with the audit process and progress to date has been steady. Apart from a financial reporting issue pertaining to pensions set out below, there are no significant issues that we need to highlight at this stage.

Subject to the resolution of the pensions matter (below), we are currently on track to substantively complete our audit work by the end of September enabling us to report on our findings to TCWG in October 2023. The Audit Findings Report will then go to the next available Audit Panel.

Pensions roll-forward reporting issue

A financial reporting issue has arisen pertaining to the actuarial valuation of the Police Pension Scheme. The issue relates to the membership data that your actuary has used in forming the year end estimate as at 31 March 2023. Your actuary has used membership data from March 2018 and used roll-forward techniques to generate the estimate as at 31 March 2023.

Both IAS 19 (the relevant accounting standard) and the CIPFA Code require the net defined pension liability to be determined with sufficient regularity such that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the end of the reporting period. The Code interprets 'sufficiently regular' as "between the formal actuarial valuations every four years for police pension funds".

We have been in constructive dialogue with management on this issue. Management have provided us with their judgement paper setting out that they comply with the relevant accounting requirements. As at the time of drafting this reporting, we are currently considering management's paper and consulting internally to determine whether the accounting estimate is reasonable and in line with relevant accounting standards.

Given the size of the Police Pension Scheme (c£25bn as at 31 March 2023) we are flagging this issue because if it was to be determined that the accounting estimate is not reasonable, then it is likely to require a revised actuarial assessment from your actuary which takes several weeks to complete.

Value for Money 2022/23

Our value for money work for 2022/23 began early September. Ahead of this, we requested from management several documents and contact details for key stakeholders we wish to interview. There has been a delay in obtaining this information due to annual leave but we been assured that the request is being treated as a priority and that the information will be supplied shortly.

Progress at September (cont.)

Other areas

Meetings

We met with Finance Officers in August as part of our quarterly liaison meetings and continue to be in discussions with finance staff regarding emerging developments and to ensure the audit process is smooth and effective.

Events

We provide a range of workshops, along with network events for members and publications to support the CPM and MOPAC. Your officers attended our Accounts Workshop in February 2023, where we highlighted financial reporting requirements for the 2022/23 accounts and gave insight into elements of the audit approach.

Further details of the publications that may be of interest to the MPS, MOPAC and members of the Joint Audit Panel are set out in our Sector Update section of this report.

2022/23 deliverables

2022/23 Deliverables

	Planned Date	Status
Accounts Joint Audit Plan We are required to issue a detailed accounts joint audit plan to the Joint Audit Panel setting out our proposed approach in order to give our opinions on the 2022-23 financial statements. We plan to communicate this to the Deputy Mayor for Policing and Crime and the Commissioner in May 2023. This will then be shared with the Joint Audit Panel at the next meeting.	May 2023	Complete
Joint Audit Findings (ISA260) Report The Joint Audit Findings Report will be reported to the Deputy Mayor for Policing and Crime and the Commissioner in November 2023. The Joint Audit Findings Report will then be reported at the next Joint Audit Panel.	October 2023	Not due yet
Auditors Reports These are the opinions on your financial statements and annual governance statements.	October 2023	Not due yet

Sector Update

Policing services are rapidly changing. Increased demand from the public and more complex crimes require a continuing drive to achieve greater efficiency in the delivery of police services. Public expectations of the service continue to rise in the wake of recent high-profile incidents, and there is an increased drive for greater collaboration between Forces and wider blue-light services.

Our sector update provides you with an up to date summary of emerging national issues and developments to support you. We cover areas which may have an impact on your organisation, the wider Police service and the public sector as a whole. Links are provided to the detailed report/briefing to allow you to delve further and find out more.

Our public sector team at Grant Thornton also undertake research on service and technical issues. We will bring you the latest research publications in this update. We also include areas of potential interest to start conversations within the organisation and with audit committee members, as well as any accounting and regulatory updates.

- **Grant Thornton Publications**
- **Insights from sector specialists**
- **Accounting and regulatory updates**

More information can be found on our dedicated public sector and police sections on the Grant Thornton website by clicking on the logos below:

A teal rectangular button with the text "Public Sector" in white, sans-serif font.

Public Sector



Courts operate at full throttle to cut delays

The Crown Court will work at maximum capacity for the third year running to reduce waiting times to deliver access to justice. The decision to continue not to cap judicial ‘sitting days’ will mean the Crown Court can hear the highest possible number of criminal cases this year.

Court buildings across the country will also benefit from £220 million for essential modernisation and repair work across the next 2 years, meaning annual investment will increase to £120 million by March 2025 - to minimise disruptions caused by old buildings. These improvements will maintain the heritage of the estate while ensuring it is equipped with the latest technology to deliver modern justice, as well as improving accessibility for all court users. The announcement builds on the 24 Nightingale courtrooms – opened as temporary spaces to boost capacity following the pandemic – that have remained open in 2023.

The Crown Court worked for more than 100,000 sitting days across the country last year after the caps in place before the pandemic were removed. It heard cases for more than 98,500 days in 2021/22 after the Ministry of Justice first lifted the cap, compared to around 82,000 in 2019/20. In May and June this year, criminal courts dealt with thousands more cases compared to previous months as judges, court staff and those across the legal profession worked to tackle the outstanding caseload. Over 10,000 days were sat in March alone - the most days in a single month since July 2015.

The full article can be found [here](#).



New inspectors of police and fire service appointed

Home Secretary Suella Braverman has announced the appointments of Lee Freeman KPM and Michelle Skeer QPM as new inspectors of police and fire and rescue services. They will both take up the dual roles of His Majesty's Inspector of Constabulary in England and Wales and Inspector of Fire and Rescue in England.

Since May 2017, Mr Freeman has been Chief Constable of Humberside Police. In January 2019, he was asked to support Cleveland Police as interim Chief Constable during a period of crisis. He also served as a police officer at Lincolnshire Police between February 2010 and April 2015, reaching the rank of Assistant Chief Constable. Mr Freeman was awarded the King's Police Medal in 2023.

Since March 2018, Mrs Skeer has been Chief Constable of Cumbria Constabulary, having joined the force in 1990. She performed a variety of operational roles before moving to the criminal investigation department where she held roles at every rank and led on both public protection and serious crime operations. Mrs Skeer was awarded the Queen's Police Medal in 2017.

The full article can be found [here](#).



Number of police officers protecting our streets at record high

There are more police officers in England and Wales than ever before, new figures published by the government confirm.

The government has delivered on its 2019 manifesto commitment to recruit 20,000 additional police officers by March 2023. This brings the total number to nearly 150,000 officers, more than 3,500 higher than the previous peak in 2010.

Police forces are now more representative of the diverse communities they serve, with over 53,000 female officers (35.5%) and over 12,000 (8.3%) from an ethnic minority background – both also at record highs. Whilst there is more progress to be made, thanks to the Police Uplift Programme there has been a 43% increase in the number of ethnic minority officers in England and Wales since the start of the recruitment drive.

This landmark recruitment drive is a core part of this government's commitment to drive down crime. Progress is being made, with crime falling in England and Wales by 50% since 2010, excluding fraud and computer misuse. Since March 2020 theft has reduced by 20%, homicides and knife crime by 8% and domestic burglary by 30%.

But the government also recognises that more must more progress must be made. The Home Office recently announced changes to crime recording, reducing paperwork burdens that the NPCC estimate could free up a potential 443,000 hours of police time a year. The Home Office are also working with partners to make sure police only attend mental health incidents they need to, such as where there is a risk of serious harm or criminality, so time and resources are focused on policing.

The full article can be found [here](#).



Extra 1,420 police join forces across England and Wales in 3 months

An extra 1,420 officers have joined police forces across England and Wales in the past 3 months, as the government continues its unprecedented drive to recruit 20,000 additional police officers by March 2023.

Figures released on 25 January show that more than 16,700 additional police officers have joined the police since April 2020 as part of the government's pledge to get more police officers on our streets.

These figures mean that the government has met 84% of that target and is well on the way to recruiting 20,000 new officers by March.

The figures released today also show the number of police officers from an ethnic minority background is at an all-time high, as the government's recruitment campaign works to change the face and culture of policing.

There are also now 51,107 female officers in our 43 police forces in England and Wales, which is also at its highest point.

The full article can be found [here](#).

HMICFRS

New police performance data published

Data about police performance has been consolidated and made available.

His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) has worked closely with the National Police Chiefs' Council (NPCC), Association of Police and Crime Commissioners (APCC), College of Policing, National Crime Agency (NCA) and Home Office to publish the new public-facing Digital Crime and Performance Pack.

The data shows the performance of all 43 police forces in England and Wales against the measures in the Government's beating crime plan, including homicide and burglary.

The reports can be found [here](#).



HMICFRS

Policing is making progress in some areas, but forces still need to get a grip on performance

In a new report, His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) has highlighted police forces' progress in recording crime, increasing from an estimated 80.5 per cent of all crime being recorded (excluding fraud) in 2014 to 92.4 per cent at the end of 2021/2022 inspections.

However, the inspectorate has found that too many forces are failing to properly understand and manage their own performance, meaning they don't know what issues are most important to tackle and where and how they can improve.

Inspectors highlighted several other issues that policing needs to address to improve the service they provide to the public. These include:

- too many forces make decisions based on poor data or insufficient analysis of data;
- forces too often have knee jerk reactions to long term problems and don't work proactively enough to prevent issues arising in the first place;
- first-line supervisors are critical to improving performance and developing the right culture in forces, but they are not getting the investment and support they need;
- the public is too often being failed at the first point of contact, with long call delays, in particular non-emergency 101 calls; and
- the workforce is increasingly under-resourced and under skilled, with forces not doing enough to understand why such a large proportion of its workforce are leaving and having any plans in place to tackle it.

The report can be found [here](#).



HMICFRS

Value for Money profiles 2022

HMICFRS has published the latest Value for Money profiles, which provide comparative data on a wide range of policing activities for each police force in England and Wales. Value for Money profiles help forces make better decisions by identifying areas where improvements can be made in cost and performance.

The VfM profiles include data provided by police services from 2012/13 to 2021/22. Data is presented as a series of interactive charts and graphs, allowing users to explore and tailor reports to their own interests.

The profiles can be accessed [here](#).



MOPACMAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

MPS-MOPAC JOINT AUDIT PANEL 2 October 2023

MOPAC Governance Improvement Plan

Report by: The Director of Strategy and MPS Oversight

Report Summary

Overall Summary of the Purpose of the Report

This report is presented to Audit Panel to provide an overview of MOPAC's approach to governance going forward, outline the key areas of improvement and the actions in place to address them.

Key Considerations for the Panel

The Governance Improvement Plan is a live improvement plan bringing together the improvements identified in the AGS 2022/23 with those carried forward from the Governance Improvement Plan 2022/23 (last year).

This report provides a review on MOPAC's Governance Improvement Plan, showing completed actions and progress updates on those still live up until end of Sep23. The full Governance Improvement Plan is included at Appendix A.

Interdependencies/Cross Cutting Issues

Improvement actions are often linked to control plans for our corporate risk register. Any action taken is to reduce risk for the organisation. Please refer to the MOPAC Risk Management update paper.

Recommendations

The Audit Panel is recommended to:

- a. Note the improvements being made in MOPAC Governance through the Governance Improvement Plan.

1. Supporting Information

- 1.1. Appendix A, the Governance Improvement Plan (GIP) for 2023/24, collates MOPAC's areas for improvement and sets out their source, the specific recommendation they relate to, actions taken or proposed, action owners and a proposed completion date. The areas for improvement identified have been compiled from:
- Outstanding actions from the Governance Improvement Plan 2022/23, which are carried forward into this year's plan;
 - Areas identified in the Annual Governance Statement (AGS) in sections marked 'what could be improved';
 - The DARA internal audit annual report and subsequent inspection reports.
- 1.2. This is a live document, refreshed monthly for internal review purposes, allowing leads to set realistic timescales for improvement actions and to capture in year DARA recommendations.
- 1.3. A comprehensive annual refresh has been undertaken to take account of the conclusions of the AGS. This has resulted in some older actions being recommended for closure, as new AGS actions supersede them. We note that there are some areas where actions duplicate the intended governance improvement. We will work to ensure that the live document streamlines these areas so that it remains concise. There are also gaps in the progress detail which will be rectified immediately.
- 1.4. The Baroness Casey review has resulted in a number of identified improvements to MOPAC's governance arrangements. The most significant being the establishment of the London Policing Board and the new oversight framework.

Key GIP updates in the past quarter

- 1.5. There are 42 work-streams captured in the MOPAC Governance Improvement Plan for 2023/24.
- 1.6. Since last reported, and up to 30th September, 7 actions have been marked as complete and 10 actions marked to close, where actions have been superseded. 24 actions reported as on track, whereas 1 recommendation has had its initial delivery timescale revised.
- 1.7. Work continues to progress through improvements in MOPAC's governance and control mechanisms, although resourcing pressures have resulted in some timescales being pushed back. Since MOPAC last reported to Audit Panel in August there has been 7 new completed actions.

Completed actions

- 1.8. ***Develop an evidence-based 'Child First' policy position statement and set of principles to improve delivery of its commissioned services and***

oversight activity as it relates to all interactions with children (C9) – The Child First position statement has been developed and agreed. It is intended that this is primarily a MOPAC internal document to assist us moving towards this approach and helping the MPS to follow the same principles

- 1.9. Improve and fully embed communication practices to partners and stakeholders across the organisation and ensure they are regularly and fully briefed on the outcomes and benefits of MOPAC's work (E1)** - A communications strategy is in place, with a step change in our digital content raising awareness of key campaigns. The move to public scrutiny through the London Policing Board, will ensure that the public and stakeholders can see our work in public.
- 1.10. Oversight of the Turnaround Plan (E3)** - This work has been completed and the New Met for London Plan in place.
- 1.11. Review VRU PRG membership to ensure strengthened diversity and representation (E6)** - membership has been reviewed and gaps identified. LFB and additional community group representatives and Young People from the YPAG now attend each meeting going forward.
- 1.12. Establish the Mayor's new London Policing Board (G12)** – a fundamental change to the way MOPAC oversees the MPS has been months in the planning and culminates in the first public oversight meeting, chaired by the Mayor, or the London Policing Board being held on 26th September.
- 1.13. Review all service level agreements, MoUs and contracts to ensure data protection and information governance clauses are robust, and that secure controls are in place to manage personal information (G13)** – MOPAC put in place an immediate response to the data breach which occurred earlier in the year. All data is now securely stored, and a new data processing agreement is in place with the GLA.
- 1.14. Deliver a mandatory programme of information governance and data protection training to all staff annually (G16)** – A further control put in place in response to the data breach was to ensure that all staff received training. This is now complete, and the Information Governance team are working to further this improvement by increasing awareness amongst staff by having in place Data Protection Champions across all teams (who received additional training).

Actions where timescales have slipped

- 1.15. MOPAC will improve the way it plans, runs and reviews projects with better benefit realisation. It will embed the techniques within the organisation and upskill staff in project management skills (B1)** – the final deliverable from this project of work is to develop a skills/training module for MOPAC. This work has taken longer than expected through the need to trial various training packages to find something suitable to address the skills

gap. The PMO is working with HR to ensure that project management training is developed alongside the MOPAC corporate training offer for all staff.

2. Equality and Diversity Impact

The governance improvement plan itself contains a number of actions relating to equality and diversity, not least the focus on our EDI strategy.

3. Financial Implications

There are no direct financial implications from this report.

4. Legal Implications

Under the Local Government Act 1999, MOPAC has a statutory duty to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. In discharging this overall responsibility, MOPAC is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the exercise of its functions, including a sound system of internal control and management of risk.

5. Risk Implications

The paper identifies the key risk areas in the GIP and shows how these are being managed.

6. Contact Details

Report author: Gemma Deadman, Governance, Risk and PMO Manager, MOPAC

7. Appendices and Background Papers

Appendix A – Governance Improvement Plan Oct 23

MOPAC Governance Improvement Plan

2023-24

Presentation to Audit Panel October 2023

Director of Strategy and MPS Oversight

Governance Improvement Plan 2023/24

- This is the Governance Improvement Plan for 2023/24. The areas for improvement identified have been compiled from:
 - Outstanding actions from the [Governance Improvement Plan 2022/23](#).
 - Areas identified in the [Annual Governance Statement \(AGS\)](#) in sections marked “What could be improved”
 - The DARA [Internal Audit Annual Report 2022/23](#) and subsequent audit recommendations
- In order to remain congruent to our [code of governance](#) and the [CIPFA framework](#) on which we assessed ourselves in the AGS, this plan has been categorised into improvement areas which match the key principles. For reference, these are:
 - a) Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
 - b) Defining outcomes in terms of sustainable economic, social and environmental benefits
 - c) Determining the interventions necessary to achieve the intended outcomes
 - d) Developing MOPAC’s capacity, including the capability of its leadership and of individuals in it
 - e) Ensuring openness and comprehensive stakeholder engagement
 - f) Implementing good practices in transparency, reporting and audit to deliver effective accountability
 - g) Managing risks and performance through robust internal control and strong public financial management
- Each action has a new reference number, with a cross-reference to the previous Governance Improvement Plan and additional source documents noted above to ensure there is an audit trail and that nothing has been lost compared to the previous version of the plan.
- A glossary of acronyms is provided at the back of this report.

a) Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

Ref	Source	Recommendation	Update since Aug Audit Panel	Further improvement Actions	Owner	On Track	Target Date
A1	AGS 21/22	MOPAC will review its requirements for information governance, which includes a review of MOPAC’s Business Continuity plan, an outline compliance plan against legislation, and reintroduction of annual GDPR training for staff.	<p>Dedicated GDPR and data security training has been rolled out to all staff in 2023. This is mandatory for all staff with enhanced sessions for Board, SLT and data champions.</p> <p>This was delivered remotely alongside a new toolkit as a guide to data protection and all areas of compliance to easily refer to.</p> <p>An action plan for implementation of policy, process and product improvements following an audit by our external data governance provider has commenced. MOPAC are systematically reviewing all data governance and sharing agreements in place with all providers and partners to ensure GDPR compliance and corporate best practice is met.</p> <p>Work has begun on updating the business continuity plan.</p> <p>More resource is needed to ensure this workload is sustainable. It has been agreed that two data governance posts would be added to the MOPAC establishment. These will be recruited alongside the wider Corporate Governance changes.</p>		CFO	on track	<p>Oct22 - Plan complete</p> <p>April 2023 - Training complete</p> <p>Mar23 onwards - action plan</p>

b) Defining outcomes in terms of sustainable economic, social and environmental benefits

Ref	Source	Recommendation	Update since Aug Audit Panel	Further improvement Actions	Owner	On Track	Target Date
B1	AGS 20/21 GIP 21/22 B3 GIP 2/23 B2	MOPAC will improve the way it plans, runs and reviews projects with better benefit realisation. It will embed the techniques within the organisation and upskill staff in project management skills.	Work has developed in this area through the Portfolio Board and the newly established PCP Programme Board and how MOPAC programme manages the work. A further re-prioritisation exercise has taken place, which has refined focus on the key projects. One of those projects is specifically about PM training with a business case to come to MOPAC Board. Due to prioritisation of work, this has moved to Q3.		Head of MPS Oversight and Performance	Portfolio Board in place PM training business case - Dec23	Dec-23
B2	AGS 22/23	MOPAC will take steps to improve the transparency and accountability of our oversight and look to develop a framework that helps monitor sustainable reform for Londoners. MOPAC will: - develop a performance framework for the London Policing Board.	The top line measures for the LPB have been agreed. Further work to finalise the larger set of metrics that sit behind this will be presented to the first Performance Committee currently scheduled for Dec23		Head of E&I	On Track	Dec-23

c) Determining the interventions necessary to achieve the intended outcomes

Ref	Source	Recommendation	Update since Jan Audit Panel	Further improvement Actions	Owner	On Track	Target Date
C1	DARA Decision 01 GIP 19/20 D9 GIP 20/21 C3 GIP 21/22 C3 GIP 22/23 C2	Interdependencies between the Investment Advisory and Monitoring group and the MPS Portfolio Investment Board, MOPAC/MPS Oversight Board and the Mayor’s Corporate Investment Board to be defined in the groups Terms of Reference and/or the Ways of Working document and communicated to stakeholders in the decision-making process. Continue to refine and update the Scheme of Delegation and Consent to ensure it remains fit for purpose, based on the most recent legislation and guidance.	MOPAC has worked closely with its legal department and the MPS over the past 18 months to review the Scheme of Delegation and Consent. A number of revisions have been identified to update the Scheme, and to streamline decision-making in specific areas. MOPAC will ensure that this remains up to date and takes into account the most recent legislation and guidance. MOPAC will continue its work to refine and update the Scheme of Delegation and Consent and will implement the updates identified following legal and DMPC approval.	A draft Scheme of Consent has been produced and is currently under review. Financial Regulations have been updated and are under review prior to being formally adopted.. Plan to present to London Policing Board in Dec23	CFO/Head of Workforce & PS	on track	Dec-23
C2	AGS 20/21 GIP 21/22 C5 GIP 22/23 C4	In a similar way to the work we have done on improving our performance oversight, MOPAC will work to develop an explanation of how we hold the MPS to account and extend this to finance. MOPAC to articulate and publish its oversight model over MPS financial and operational performance.	This is linked to the 'Agree our oversight framework' project in the MOPAC Change Programme. There has been progress over the last quarter and constructive discussions are underway. A revised performance management framework was launched in Q2 that links financial information to activity. This will be used to further	This has been superseded with the MPS Oversight Framework as a result of Baroness Casey's review and the new London Policing Board. This action is now closed	CFO /Dir Strategy	close	close

Governance Improvement Plan

C3	AGS 18/19 GIP 19/20 D6 GIP 20/21 C2 GIP 21/22 C2 GIP 22/23 C1	Consider introducing a formal SLA with TfL and MPS shared service functions to help with procurement demand.	strengthen the oversight process. The next phase of the financial oversight framework is being developed.	Superseded by C8	Chief Finance Officer	close	close
			Discussions continue with TfL regarding a formal SLA for the provision of procurement support. This work is linked to the Finance and Corporate Services transformation programme. This element remains on hold. n.b Responsibility moved to Corporate Services Mar23				
C4	AGS 19/20 GIP 20/21 C5 GIP 21/22 C4 GIP 22/23 C3	Respond to the recommendations of the review conducted of its procurement and grant award processes	Following presentation of the findings to Directors, proposals for their implementation have been reviewed and agreed by MOPAC Board. The implementation of the recommendations is underway through the Target Operating Model work, but completion is reliant on C3 which is on hold. n.b Responsibility moved to Corporate Services Mar23	Superseded by C8	Chief Finance Officer	close	close

Governance Improvement Plan

C5	AGS 21/22	<p>Work to fully implement MOPACs procurement approach have been hindered by a restructure of the provider. Discussions have started, but agreement of terms of reference are on hold currently. This work will be progressed during 2022/23.</p>	<p>Linked to C4 The implementation of the recommendations is underway through the Target Operating Model work</p> <p>n.b Responsibility moved to Corporate Services Mar23</p>	Superseded by C8	Chief Finance Officer	close	close
C6	AGS 22/23	<p>MOPAC and the VRU is now able to demonstrate the need, desired outcomes and success measures and provide an evidence base for its commissioned services.</p> <p>MOPAC will seek to improve its transparency and awareness of the reach and impact of commissioned services through publication of key performance information.</p> <p>MOPAC will: -</p> <p>develop a standard set of data to improve the reporting of the work of commissioned services.</p>	new action - update to follow		Dir of C&P		TBC
C7	AGS 22/23	<p>MOPAC and the VRU is now able to demonstrate the need, desired outcomes and success measures and provide an</p>	<p>Having presented our interactive Power-BI driven dashboard to the Mayor at our June PRG, significant progress continues to be made in</p>		VRU		Mar-24

Governance Improvement Plan

		<p>evidence base for its commissioned services.</p> <p>The VRU will:</p> <p>continue to develop its Outcomes Performance Focused Framework and will further operationalise to ensure alignment across all VRU programmes.</p>	<p>developing the dashboard, and the monitoring processes that inform it, in line with our Outcomes Focused Performance Framework.</p> <p>Flexigrant, our grant monitoring system, is live and in the processes of being rolled out across our most complex programmes.</p> <p>The VRU Performance Dashboard V2.0 includes the ability to explore key performance data by programme and priority area, and high-level overview of current research and evaluations. Work continues to align and standardise key outcome measures (outcomes toolkit) to further explore impact.</p> <p>Ambition to publish a public facing version in early 2024.</p>				
C8	AGS 22/23	<p>As previously identified in our annual governance statement, a need to improve our existing procurement resource led to discussions to formalise a shared service agreement. Work to fully implement this procurement approach has been hindered by a restructure of the provider. Discussions have re-started, but agreement of terms of reference are on hold currently.</p>	<p>new action - update to follow</p>				TBC

Governance Improvement Plan

		<p>MOPAC will: -</p> <p>progress the terms of reference for Procurement during 2023/24 and incorporate this within the Finance and Corporate Services transformation programme.</p>					
C9	AGS 22/23	<p>The most recent Police and Crime Plan committed to MOPAC taking a 'Child First approach' to everything it does, including in the way it commissions services and oversees the MPS. MOPAC undertook a tendering exercise to commission academics to develop an evidence-based position statement for MOPAC on Child First, grounded in the experience of young people, accompanied by a checklist for MOPAC and its partners to apply when undertaking (or overseeing) any work with children. This work is currently underway, led by academics from the University of Salford, and should contribute to improving the delivery of our services to Londoners, as well as the services delivered by the MPS</p>	<p>CF Policy Position Paper has been developed and agreed. The Position Statement has been informed by (a) focus groups with existing representative forums of children and young adults in London; (b) interviews with a range of stakeholder organisations, including various sections and ranks in the MPS; (c) workshops with stakeholders; (d) an advisory panel of experts with high-level delivery experience in London criminal justice; and (e) wide-reaching analysis of existing policies.</p> <p>The Position Statement is intended primarily as an internal MOPAC document, providing a starting point in assisting MOPAC in moving towards a Child First approach, rather than a comprehensive manual of everything that is needed to be aligned to Child First.</p> <p>A paper on next steps will be</p>	<p>Oversight of development of children's strategy and alignment with Child First (target Nov-23)</p> <p>Internal work to look at changing MOPAC policy and practice with regard to: (target Jan-24)</p> <ul style="list-style-type: none"> - Language in policy, commissioning and comms - Meaningful collaboration with children - Increasing understanding about Child First across MOPAC and how it should be taken into consideration across our work <p>Progressing existing YJ systems change work, facilitated by MOPAC but led by partners with Child First as one of the key</p>	Dir of C&P	Complete	complete

Governance Improvement Plan

		<p>MOPAC will:</p> <p>Develop an evidence-based 'Child First' policy position statement and set of principles to improve delivery of its commissioned services and oversight activity as it relates to all interactions with children</p>	<p>considered by MOPAC Board in September, with a view to deciding how to implement this for London.</p>	<p>themes (target Mar-24)</p> <p>Oversight of implementation of Children's Strategy and its associated Delivery plan and alignment with Child First (Target Nov-23 - Ongoing)</p> <p>Wider work to support and influence a move towards a Child First CJS and wider Child Safeguarding sector in London (Target Feb-24-Ongoing)</p>			
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d) Developing MOPAC’s capacity, including the capability of its leadership and staff

Ref	Source	Recommendation	Update since Aug Audit Panel	Further improvement Actions	Owner	On Track	Target Date
D1	AGS 21/22 GIP 22/23 D4	Over the coming 12 months, MOPAC will build a more structured approach towards workforce planning to better understand its growth, opportunities and future workforce design, working with each directorate to better understand the local needs, and working with MOPAC Board to develop its strategic vision. timescales have been revised in line with the People Strategy programme plan	In light of the Casey Review, work has commenced on Directorate People Plans to ensure we are adequately resourced. Work has commenced with both finance and Directorates but is at early stages.		Chief People Officer	on track	Sep-24
D2	AGS 21/22 GIP 22/23 D5	Through the refreshed People Strategy, MOPAC will develop a strategic approach to Talent Management and Learning and Development to ensure our workforce have the capabilities, skills and competencies to deliver against our vision and mission. timescales have been revised in line with the People Strategy programme plan	The refresh of the People Strategy will encompass a strategic approach to Talent management and L & D. Board have agreed an outline approach to this so that progress occurs in parallel to PS development. This includes analysis of PDRs, a refresh and evidence from QMRs in the Autumn		Chief People Officer	on track	Sep-24

Governance Improvement Plan

D3	AGS 22/23	<p>MOPAC has an identified corporate risk around capacity and capability as well as culture. Continuous improvement and a more developed people offering, and service has ensued in recent years, but it is recognised that further strategic and operational development is required. Further to discovery, diagnostic and design work including a staff survey, business and workforce indicators, and a consideration of external and internal drivers</p> <p>MOPAC will: -</p> <p>implement its People Strategy to strengthen identity, culture and connection; equip individuals and the organisation for success; and become an adaptable and resilient organisation.</p>	<p>The People Strategy launched at All MOPAC Birdtable on July 23 with a 3-year plan</p> <p>Meetings with Directorates have commenced to socialise the plan and start the directorate plans.</p> <p>The PMO has helped put full Programme Management and governance in place including PID, detailed plan and dashboard.</p> <p>The corporate induction programme has commenced and 'get to' know sessions are in place.</p>		Chief People Officer	On Track	<p>Year 1 - Mar 24</p> <p>Year 2 - Mar 25</p> <p>Year 3 - Mar-26</p>
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e) Ensuring openness and comprehensive Stakeholder Engagement

Ref	Source	Recommendation	Update since Aug Audit Panel	Further improvement Actions	Owner	On Track	Target Date
E1	AGS 19/20 GIP 20/21 E2 GIP 21/22 E2 GIP 22/23 E2	Improve and fully embed communication practices to partners and stakeholders across the organisation and ensure they are regularly and fully briefed on the outcomes and benefits of MOPAC's work.	<p>Communications strategy is in place and delivery with activity ongoing. Our Digital Comms Officer has produced key video content which has been posted on our digital platforms to Londoners, stakeholders and internally to staff. This includes highlights over the last quarter for ASB awareness week, visit to Leytonstone to see the work of the Safe Streets pilot, and the work of Advance, a charity co-funded by MOPAC for women in contact with the CJS. The most recent work has been to support the 'Have a word' ' VAWG campaign which was launched over the summer.</p> <p>Closing this action as we are moving to public scrutiny so the public can see our work in practice.</p>	Further work to embed the communication practices	Head of Strategy Development and Communications		complete
E2	AGS 21/22 GIP 22/23 E3	Further work is required to review and improve the community oversight of the MPS. MOPAC recognises that improvements need to be made to increase representation, become more transparent and ensure that the structure feeds into wider governance mechanisms. MOPAC will review its stop and search	Work has been conducted during 2022/23 to review and improve community scrutiny of the MPS. MOPAC recognised that improvements needed to be made to increase representation, become more transparent and ensure that the structure fed into wider governance mechanisms.	close this action - superseded by E4	Head of Engagement	close	close

Governance Improvement Plan

		monitoring groups through piloting a new approach in 3 boroughs. MOPAC will evaluate the pilots and consider a renewed London wide approach to community oversight.	We have recruited 15 people from diverse backgrounds to form the first pilot local police scrutiny panel in Hackney. It has now been launched and the members are currently undergoing training.				
E3	AGS 22/23	<p>MOPAC has worked with the MPS around the development of the new Turnaround Plan, drawing on research provided by our evidence and insight unit to ensure that it focuses on the areas we know Londoners deserve a better service from the MPS, such as support for victims.</p> <p>- Focus the MPS to define strategic approaches to how the force will work going forward through its reform and transformation programme – The MPS Turnaround Plan.</p> <p>- The Mayor and Deputy Mayor will then hold the commissioner to account for delivery of that plan through a revised oversight framework which will include the creation of the new London Policing Board.</p>	This has been superseded by the Met's New Met for London Plan		Head of Oversight and Performance		complete
E4	AGS 22/23	Increasing trust and confidence is the foundation of our system of policing by consent and crucial to everything we want to achieve. In line with the Mayor's Action Plan for transparency, accountability			Head of Engagement		TBC

Governance Improvement Plan

	<p>and trust in policing, MOPAC will carry forward work to overhaul community scrutiny and engagement.</p> <p>MOPAC will: -</p> <ul style="list-style-type: none"> - run pilots in a small number of areas to test community scrutiny mechanisms - develop a proposal for new approaches to community scrutiny, informed by the work of Black Thrive, the pilots and other wider relevant consideration. - work together with the MPS to ensure our community engagement mechanisms are aligned and informed by good practice. - improve the mechanisms for ensuring community voice informs and is brought into our oversight of the MPS, including but not limited to through the London Policing Board. 	<p>The first formal meeting of the pilot Local Police Scrutiny Panel in Hackney was held on 7th September with a robust discussion around how to build a data set which will better identify the drivers of disproportionality to improve the transparency of community scrutiny. Work is underway to develop the next pilot in Croydon (E2 also refers).</p> <p>The final report from Black Thrive has been received and is being reviewed by DMPC Linden, with a view to publishing the report by the end of September.</p> <p>MOPAC Community Engagement Team are working with senior leaders in the MPS and other partners to bring together workshops in October and November to co-produce a deliverable blueprint for the future of community engagement and scrutiny of policing informed by the findings and recommendations from the Black Thrive report, as well as findings from the Casey review, and commitments in the New Met for London plan. A proposed blueprint will be worked up for consideration by the end of November 2023.</p> <p>Work is underway to strengthen existing processes and to also develop new ways of working where necessary, to enable community</p>				
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Governance Improvement Plan

			voice to inform the work of the London Policing Board.				
E5	AGS 22/23	<p>As part of the London VRU coordinating role for the implementation of the Serious Violence duty, the VRU will deliver compliancy of the duty for London by ensuring all 32 boroughs Community Safety Partnerships will</p> <ul style="list-style-type: none"> - undertake an evidence-based analysis of the causes of serious violence in your area (and have effective data sharing to enable this) - develop a strategic needs assessment based on the analysis - develop and implement a strategy with solutions to prevent and reduce serious violence in your area, reviewed every year 	<p>The VRU are supporting and working with boroughs to ensure they will deliver against the requirements including strategy and SNA by their deadline 31 Jan 2024.</p> <p>VRU set up task and finish groups to create templates as a min standard approach for all boroughs which they have adopted; as well as agree a definition for London. This was achieved.</p> <p>The VRU along with MOPAC, GLA and MPS partners are also responding to data challenges and looking ahead to better support boroughs requirements.</p>		VRU		Jan-24
E6	AGS 22/23	The VRU Partnership Reference Group is made up of leading representatives from the Met Police, the NHS and public health, probation and education, and local authorities. The 32 London boroughs are represented by the political lead for crime and	The VRU have recently reviewed the PRG membership whereby it was highlighted additions of LFB representation, as well as additional community representation would be valued. The LFB have now been invited as a member and accepted, as well as additional community group		VRU		Complete

Governance Improvement Plan

	<p>community safety and local authority officers nominated by London Councils, the cross-party organisation that works on behalf of all its member authorities. Representatives from the community, VCS and youth sector also sit alongside the public sector representatives to help ensure there is a strong community voice.</p> <p>The VRU will: review PRG membership to ensure strengthened diversity and representation</p>	<p>representation and Young People from our YPAG to attend each meeting going forward.</p>				
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f) Implementing good practices in transparency, reporting and audit to deliver effective accountability

Ref	Source	Recommendation	Update since Aug Audit Panel	Further improvement Actions	Owner	On Track	Target Date
F1	AGS 21/22 GIP 22/23 F2	VRU to publish a dashboard detailing the impact of all VRU programmes, aligned with violence and safeguarding data.	This action has been superseded by C7. To close		VRU	close	
F2	AGS 22/23	<p>MOPAC will seek to improve access to data through greater collaboration with the MPS and MOPAC's Evidence and Insight Team.</p> <ul style="list-style-type: none"> - Align analytical work with the MPS and promote greater usage on the front line. - Routine analytical products will be linked with those of the MPS and will bring about joint sessions to share workplans. - Further develop public dashboards so that the public can directly scrutinise performance. 	<p>Work is ongoing between MOPAC and comparable peers within the MPS in order to explore underlying work programmes and identify duplication and opportunities for cross working (i.e., MPS SIU, Data Office, Met Intelligence).</p> <p>There are ongoing meetings with an effort to promote greater usage of data and research to front line officers. This has included discussions with MPS analytical colleagues, but also a series of meeting where MOPAC E&I have run learning days and bespoke officer meetings in order to look to ensure the evidence is informing operational practice. These sessions have had a focus on trust and confidence and is something that will be developed in the future.</p> <p>MOPAC provides a suite of public dashboards that allow monitoring of key recorded crimes, perception and satisfaction measures. A new London Policing Board Dashboard is also being developed that will enable all Londoners as well as LPB members</p>		Head of E&I	On track	TBC

Governance Improvement Plan

			<p>to scrutinise MPS performance on its key measures within A New Met for London.</p> <p>MOPAC E&I have worked with the MPS to further expand the data available on the London Datastore so that the public can now access a wide range of different datasets on crime and policing in London.</p>				
F3	AGS 22/23	<p>MOPAC will improve its transparency through publishing greater detail on its website.</p> <ul style="list-style-type: none"> - Publish MOPAC's contracts and grants register alongside the Finance and Performance Quarterly Report. - Develop and implement a process for all new contract awards to be published on our website 	new action - update to follow		Head of Contracts, Grants and Procurement		TBC

g) Managing risks and performance through robust internal controls and financial management

Ref	Source	Recommendation	Update since Aug Audit Panel	Further improvement Actions	Owner	On Track	Target Date
G1	AGS 21/22 GIP 22/23 G6	DARA has reviewed MOPAC's business support processes which has resulted in a number of areas for improvement. The recording and management of IT and mobile equipment is currently not operating effectively. A review of MOPAC's IT asset register is required to provide an up to date account.	12 of the 24 actions recommended in DARA's report have been completed and none of the agreed deadlines have been missed. MOPAC have completed all work that is within their control to update the asset register, outstanding actions are now in the hands of the GLA's Technology Group. A1 - Business continuity review is underway and will be aligned with the GLA BCP.		CFO	On track	Dec-23
G2	AGS 21/22 GIP22/23 G7	MOPAC to ensure that the correct number of shared service staff are vetted and ensure that this level is maintained.	MOPAC has established which IT support staff require vetting and identified whether any gaps exist. Where this is the case vetting applications are in process. An approach has been tested and agreed with TfL, GLA and MPS. The vetting submission has been written and made.	Further work to ensure that this is maintained through the transition of the new IT shared service from GLA to TfL. Expected completion moved to Dec23 in line with programme timeline.	CFO	On track	Dec-23
G3	GIP 22/23 G11	Develop a fully documented processes to support the awarding of grant monies and the payment of invoices.	A full end to end process review is underway and was scheduled to complete in December 2022. The outcome of the work was considered by MOPAC Board in January. This now falls within the Finance and Corporate Services transformation programme. On hold until resources	Superseded by G5	CFO	close	close

Governance Improvement Plan

			are agreed for next stages of the work.				
G4	GIP 22/23 G12	Training and development of budget holders will also be delivered to ensure that the financial framework and processes are fully understood	<p>A training package will be developed and delivered following the completion of the review of MOPAC processes.</p> <p>This now falls within the Finance and Corporate Services transformation programme. On hold until resources are agreed for next stages of the work.</p>	Superseded by G7	CFO	close	close
G5	GIP 22/23 G13 AGS 22/23	Continue to refine and update the Scheme of Delegation and Consent to ensure it remains fit for purpose, based on the most recent legislation and guidance.	<p>A draft Scheme of Consent has been produced and is currently under review.</p> <p>Financial Regulations have been updated and are under review prior to being formally adopted.</p> <p>Plan to present to London Policing Board in Dec23</p>		CFO	On track	Dec-23
G6	AGS 22/23	Implement an effective and sustainable operating model that maximises resources available, creating effective enabling functions and providing resilience to MOPAC;	new action - update to follow		CFO		
G7	AGS 22/23	Implement effective Procurement, Contracts and Grants Awards processes that are understood and followed	new action - update to follow		CFO		

Governance Improvement Plan

G8	AGS 22/23	Implement effective payment mechanisms and processes that are understood and followed.	new action - update to follow		CFO		
G9	AGS 22/23	Implement fully trained and knowledgeable staff to increase compliance and adherence to rules	new action - update to follow		CFO		
G10	AGS 22/23	Implement a refreshed Target Operating Model for Finance and Corporate Services with clear roles, responsibilities and accountabilities.	new action - update to follow		CFO		
G11	AGS 22/23	Refresh MOPAC's MPS Oversight Framework	Oversight Proposals Briefing Paper drafted and will be sent for Mayoral steer.		Dir of Strategy		Sep-23
G12	AGS 22/23	Establish the Mayor's new London Policing Board	The London Policing Board will be established on 26th September and will sit on a quarterly basis. A series of committees will run to support its work, looking at thematic areas of oversight.		Dir of Strategy	Complete	complete

Governance Improvement Plan

G13	AGS 22/23	<p>In 2023 MOPAC identified a data breach relating to information submitted on webforms hosted on the london.gov.uk website. The breach was reported promptly to the Information Commissioner's Office who continue to investigate the breach and both MOPAC and the Greater London Authority's (GLA) handling of it.</p> <p>MOPAC will: Review and update where necessary all data protection products, policies and processes, such as Data Sharing Agreements, Records of Processing Agreements, and Data Protection Impact Assessments</p>	<p>A review of Data Protection policies has been undertaken and updated policies implemented. Work to complete RoPAs has commenced</p> <p>There is now a robust Data Processing/Sharing Agreement in place with GLA</p>	<p>Reviews of all DSAs / DPAs across MOPAC and all partners required to ensure all are robust and appropriate</p> <p>Completion of DPIAs prior to starting new processing and completions of DPIAs retrospectively for all high-risk processing</p>	CFO		Dec-23
G14	AGS 22/23	<p>MOPAC will continue to strengthen its information governance resource to ensure a permanent in-house team is in place, supported if necessary by an external provider</p>	<p>A team of Data Protection Champions have now received additional training and are onboard to help support MOPAC with their compliance journey.</p> <p>It has been agreed that two data governance posts would be added to the MOPAC establishment. These will be recruited alongside the wider Corporate Governance changes.</p>	<p>Champions to support with completion of RoPAs and to help raise awareness of data protection around the organisation, and to be the 'eyes and ears' of the DPO and team to support awareness of organisational processes and any areas of concern.</p>	CFO		TBC

Governance Improvement Plan

G15	AGS 22/23	MOPAC will: Review all service level agreements, MoUs and contracts to ensure data protection and information governance clauses are robust, and that secure controls are in place to manage personal information	<p>There is now a Data Processing Agreement in place with GLA</p> <p>The webforms have been removed from the GLA site.</p> <p>Data from previously submitted forms now has a 2-year retention period which has been implemented.</p> <p>All data is now stored securely by MOPAC</p>	<p>MOPAC are looking at suitable alternative ways the public can contact us now the forms have been removed from the website.</p> <p>The prompt reporting of the breach and swift action to contain and investigate the breach once it was discovered demonstrates good awareness and processes are in place within MOPAC.</p>	CFO	complete	complete
G16	AGS 22/23	MOPAC will: Deliver a mandatory programme of information governance and data protection training to all staff annually.	All staff have now received updated data protection and security training and the IG team are working to increase data protection and data security awareness amongst staff by: having in place Data Protection Champions across all teams (who received additional training)	Ensure annual training and carry out internal awareness activities to further raise and keep in sight the Data Protection and Data security profile	CFO	complete	complete

Glossary

- AP – Audit Panel
- AGS 21/22 – Annual Governance Statement for 2021/22
- CFO – Chief Finance Officer
- DPO – Data Protection Officer
- DSA – Data Sharing Agreement
- GDPR - The General Data Protection Regulation (EU) 2016/679
- GRWG – Governance and Risk Working Group
- IAM – Investment and Monitoring meeting
- ICV – Independent Custody Visitors
- OB – Oversight Board
- PCC – Police and Crime Committee
- PCPDG – Police and Crime Plan Delivery Group
- PPM – Portfolio, Programme and Project Management
- SFRM – Strategic Finance and Resources Management – team in MOPAC
- VCOP – Victims Code of Practice
- VRU – Violence Reduction Unit

M O P A CMAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

MPS-MOPAC JOINT AUDIT PANEL 2 October 2023

Met Audit & Inspection and Governance Improvement Report

Report by: Chief Strategy and Transformation Officer

Non-restricted paper

Report Summary

Purpose

This report provides Audit Panel:

- A summary position of the Governance Improvement Plans.
- A summary position of DARA and HMICFRS activity and engagement over the last quarter.
- Progress made on findings from recent audits rated Limited.
- Information related to the HMICFRS PEEL assessment and other inspection activity.

Key Considerations the Panel is asked to:

- Note the governance overarching actions for 2023/24.

1 Governance Improvement Plans update

- 1.1 The Annual Governance Statement (AGS) was presented to the Commissioner for formal sign-off in September 2023. A version of the document was presented and reviewed at the Audit Panel in August 2023.
- 1.2 An element of the AGS process is to identify an action plan, previously referred to as a 'Governance Improvement Plan.' The action plan for 2023/24, as shown below, contains several actions carried forward from the last reporting period, as well as several new actions, identified during the 2022/23 AGS process.
- 1.3 Progress against these actions is largely being taken alongside activity supporting the delivery of the New Met for London (NMfL) action plan but are captured and monitored through regular updates to measure governance outcomes.
- 1.4 Work has already commenced in enhancing the MPS business planning capabilities with resources being allocated to this area. A new approach to assurance is being designed following an assurance mapping exercise, shifting the Met away from a bureaucratic and process-heavy approach towards one that is embedded within the culture and everyday activity of the organisation. This model will drive greater capability at all lines of defence, more consistency, and higher standards, meaning all leaders can have greater confidence in how their work and risk management is being assured.
- 1.5 DARA will continue to provide assurance that actions are being delivered through audit activity in line with their audit plan. This includes reviews of revised **Performance Framework** - supporting delivery of New Met for London, **Programme Management Framework** – evaluating effectiveness of the programme management framework supporting major transformation portfolio, including capacity and capability to deliver, and delivering internal control awareness sessions/workshops to build level 1 capability in support of an effective **Governance, Control and Assurance Framework**.
- 1.6 Due to the very recent completion of both the AGS and publishing of the NMfL, there have been no updates sought at this time, however, a progress update will be provided to the January Audit Panel.

1.7 Overarching Governance Actions for 2023/24

Action	Proposed Owner	Status
Enhancing the MPS' business planning and strategic workforce planning capabilities.	Director, Learning & Development	c/f from 2022/23
Building a more cohesive, robust approach to risk and assurance across the MPS, embedding risk management in operational commands and standardising organisational learning.	Chief Strategy & Transformation Officer	c/f from 2022/23
Improving recruitment to fill critical technical and specialist roles to improve capability.	Chief People & Resources Officer	NEW
Governance of the rollout of the second wave of CONNECT, learning the lessons of wave one.	Chief Digital Data and Technology Officer	NEW
Reducing the resource intensive burden of producing data.	Chief Digital Data and Technology Officer	NEW

Implementing the effective storage and management of property and exhibits.	Director, Operational Support Services	NEW
Improving processes for digital device monitoring, security, policy compliance and reporting.	Chief Digital Data and Technology Officer	NEW
Move to a blended curriculum to allow learners to access digital content including on-demand at the point of need.	Director, Learning & Development	c/f from 2022/23
Completing a review of Public Protection Policies and widen to look at the HoP Investigation portfolio	Director, Frontline Policing Delivery Group	c/f from 2022/23
Ensure all Commercial Contracts where data processing is required are DPA (2018) compliant	Director, Commercial Services	c/f from 2022/23
Working to address the experience gap through better supervision and continued leadership development	Chief People & Resources Officer	c/f from 2022/23
Implementing BCU/OCU Organisational Learning Hubs	Head, Strategic Insight Unit	c/f from 2022/23
Implementing the Organisational Learning model and a clear framework on how learning is shared organisationally by: <ul style="list-style-type: none"> • Development of a repository to capture and disseminate OL across the MPS in a standardised way • Embedding a process to capture, categorise and share learning from Gold Groups / Critical Incidents; • Embedding a culture of learning across the MPS 	Head, Strategic Insight Unit	c/f from 2022/23
Further embedding enhanced business planning processes	Chief People & Resources Officer	c/f from 2022/23
Developing a communication strategy to improve our engagement with Londoners	Director, Communications	c/f from 2022/23
Increasing engagement with the public and partners, building on the consultation exercises we ran for the VAWG Action Plan and STRIDE	Director, Communications	c/f from 2022/23
Finalising the review of corporate Policies	Director, Frontline Policing Delivery Group	c/f from 2022/23

2 Internal Audit update

- 2.1 Following discussions at Risk and Assurance board in June, it was decided that a reset exercise of the then 46 open audit actions would be carried out to determine their status (e.g. to close if complete, tolerate or reset with a new deadline) The aim of this exercise was to ensure those actions that were complete as reasonably practicable were signed off and closed and recommendations remaining open are relevant, meet the aims of NMfL and have a clear, deliverable-based path to completion.
- 2.2 There is now increased visibility of outstanding recommendations through oversight at corporate boards We now record and request updates for all risks and their associated actions from every formal audit (previously just those from audits graded "Limited" and any high-risk action from other graded audits). This ensures all recommendations that are relevant to programmes are dealt with collectively through the most appropriate projects. It also improves our visibility of progress to deliver actions, manage the associated risk, as well as better insight into thematic issues arising.
- 2.3 Board agreed to empower leaders, it would be beneficial to agree a set of measures for when a senior lead could agree to their best of their knowledge that an action had been completed and therefore could be discharged. If the action

was high-risk, then this was when assurance should be applied. This is being built into the new overall assurance process.

- 2.4 Risks that have been marked as tolerated will be reviewed annually with the owners to ensure the risk has remained within tolerance levels with working controls. Or, if the risk has materialised, that the appropriate action has been taken assurances are in place and learning has been captured. At point of tolerating as risk, action owners will be instructed to monitor these locally for any change. These actions remain on our system but excluded from future reporting.
- 2.5 Since last reporting we have received 3 audits; *MPS Voluntary Unofficial Funds, Framework Supporting Automatic Number Plate Recognition (ANPR)* and *Grievance Management Framework*. All have been graded "Limited."
- 2.6 For the *Grievance Management Framework* audit, 37 actions have been developed to address the concerns. Of these 21 actions have already been completed. 14 of the actions relate to high priority areas with 7 of these already complete. The 7 remaining actions relating to the high priority areas including Engagement – trust and confidence in the grievance process, roles and responsibilities and Management information and oversight have a target delivery date and the Grievance Management Team (GMT) plan to complete the actions within their remit by the end of the financial year.
- 2.7 Several key activities will be progressed over the next 6 months including conducting an annual focus on closed grievance cases that allege victimisation to identify the outcomes. In addition to the customer surveys, the GMT will utilise the results of the MPS Wide staff survey to understand the Met Wide position to obtain and understand Met wide views on the grievance process to be able to target internal communications and to further promote awareness of the grievance process across the Met.
- 2.8 Data Office analytical team will conduct initial analysis of officers/staff subject to grievance cases that have also been subject to misconduct cases. This will then be shared with HR and Professionalism leads to decide appropriate publication.
- 2.9 A further comprehensive review of Grievance / Mediation content on Knowledge Management will take place. This will include the review of key role - informal resolution champions
- 2.10 There is good governance in HR for management of outstanding DARA recommendations. Progress against completion of outstanding recommendations is monitored through the People & Resources monthly SLT performance & assurance meeting.
- 2.11 The *Framework Supporting Automatic Number Plate Recognition (ANPR)* audit had 7 actions (3 High priority) and work is in progress to address all identified risks. Activity includes defining a strategy and strategic vision, aims and objectives for the deployment of ANPR across the Met in support of corporate objectives and priorities. Ongoing review of Technical and Operational risks and engagement across the MPS and DDaT (Digital, Data and Technology) to improve corporate risk management processes and escalation to ensure shared risks are clearly

defined and addressed. Ongoing engagement with DDaT to deliver new technical systems to mitigate risk around backup and recovery to support operational objectives.

- 2.12 Clearly documented operational outcome KPIs will be agreed and will cut across relevant departments which support the ANPR process which will provide an analytical basis for decision making and risk management.
- 2.13 These risks and actions are being monitored monthly to ensure the risks identified are managed.
- 2.14 The *MPS Voluntary Unofficial Funds* audit identified 3 key risks, work will be carried out to undertake a strategic review of the approach to the governance and oversight of voluntary unofficial funds with progress reported back to Audit, Risk and Assurance Committee in December.

Internal Audits – Work in Progress

- 2.15 The following audits and follow-ups have been marked as either fieldwork, work in progress or report writing stage. It is imperative that attention is given to draft reports to ensure actions are coherent with the NMfL priorities and that they support key priority areas

	Business Group	Type	Audit name	Stage
1.	Strategy & Transformation	Advisory	Risk Management Framework	In Progress
2.	Operations & Performance	Advisory	Proactive Review MO19 Firearms Unit	In Progress
3.	People & Resources	Advisory	Payroll Assurance Framework	In Progress
4.	Frontline Policing	Advisory	Front Line Policing Governance and Assurance Framework, including; Command Assessments & Risk and Internal Control Awareness	In Progress
5.	People & Resources	Advisory	L&D Transformation	In Progress
6.	Frontline Policing	Audit	Youth Offending Teams	Draft Report
7.	DDAT	Audit	Cloud Security Management	Draft Report
8.	Operations & Performance	Audit	MPS Engagement in Major Event Planning and Delivery	In Progress/Scoping
9.	DDAT/ People & Resource	Audit	Digital Internal Control Environment Assurance – Third Party Contracts	In Progress/Scoping
10.	People & Resource	Audit	Financial Assurance - Expenses Control Framework	In Progress/Scoping
11.	Operations & Performance	Follow Up	Firearms Licensing	In Progress/Scoping

12.	People & Resource	Follow Up	Accounts Receivable	In Progress/Scoping
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2.16 At the time of writing the DARA tracker shows 43 outstanding actions; 4 of which are showing as overdue however due to reporting cycles 3 of these were still in date at point of last update. 15 are rated as High and shown below:

Business Group	Audit	Key action required	Due Date	Progress
People & Resources	External Training and Development -Framework for Use of External Providers and Value for Money	A training strategy and an implementation plan will be developed and implemented and integrated with the external training delivery framework.	Oct-23	Under review with DARA to assess progress and consolidate actions
People & Resources	As above	Following the transfer of the Strategic learning unit from HR to Met Training a comprehensive review of the current external training arrangements is carried out, incorporating the agreed actions	Oct-23	Under review with DARA to assess progress and consolidate actions
DDaT	Framework Supporting Data Protection Compliance	CT DPA governance arrangements with other forces is agreed to improve service and demonstrate compliance.	Dec-23	The Met Data Office have been consulted on a CTPHQ options paper and a workshop. CT Coordination Committee sign off, anticipated autumn.
Strategy & Transformation	Programme Management Framework	Development of a recruitment strategy to enhance the recruitment offering in conjunction with HR and best practice amongst peers. Contingency arrangements to be put in place to address current resource shortages.	Jun-22	Focus on recruitment in TD has reduced the vacancy rate although competition is tough for specialist skills. Consultants have been engaged to assess capability and external support needs
Strategy & Transformation	Risk and Assurance Review - MPS Corporate Risk Management Framework	ii) A review of level one assurance mechanisms across the Met to be undertaken to better inform and improve local risk management activity. CPIC to review Level one controls as part of the developing the Corporate Assurance framework.	Dec-23	Progressed as part of the wider design of the Corporate Assurance Framework.
Frontline Policing	Domestic Abuse Investigations Framework - Follow Up	Finalise DA training arrangements and monitor uptake and evaluate effectiveness once rolled out.	Dec-23	Being addressed as part of the Domestic Abuse Programme.
People & Resources	Grievance Management Framework	i) Met wide views on the grievance process including the likelihood to report a grievance and potential barriers to raising concerns are sought. - Action is taken to address the issues identified. - Effective engagement with those having used the grievance process takes place to inform further enhancements and increase confidence in the process.	Mar-24	See para. 2.6-2.10
People & Resources	As above	ii) Internal communications and the wider HR directorate work in liaison	Mar-24	See para. 2.6-2.10

		to further promote awareness of the grievance process across the Met.		
People & Resources	As above	Governance arrangements for senior management oversight and the provision and reporting of grievance related data are reviewed and streamlined ensuring: <ul style="list-style-type: none"> - Respective accountabilities are clearly defined - Meaningful and proportionate data facilitates effective strategic oversight - Regular and transparent reporting takes place - Management data and analysis enables the identification of patterns of behaviour across the grievance/misconduct process. - Management information provided locally is reviewed the barriers or issues with SPOCs using the dashboard are addressed to ensure effective monitoring and action is taken. 	Sep-23	See para. 2.6-2.10
People & Resources	As above	The principle of embedding roles within the grievance process within officer duties on BCUs is reviewed to determine if sufficient assurance can be given to the independence of those involved.	Mar-24	See para. 2.6-2.10
People & Resources	As above	Increased focus/promotion of the existing conflict of interest process is given to increase confidence.	Mar-24	See para. 2.6-2.10
Met Ops	Framework Supporting Automatic Number Plate Recognition (ANPR)	The strategy for the deployment of ANPR within the Met in support of corporate priorities and objectives i.e. Turnaround Plan (New Met for London Plan), are clearly defined and approved by senior management.	Sep-23	See para. 2.11-2.13
Met Ops	As above	All risks associated with the management and deployment of ANPR across the Met are fully identified, assessed, controls/mitigations captured and documented, including the risk of Business Continuity Recovery (BCR).	Sep-23	See para. 2.11-2.13
Met Ops	As above	i) Backup recovery testing procedures are documented, including the requirement to record and act on test outcomes and form part of the BCR plan.	Sep-23	See para. 2.11-2.13
Met Ops	As above	ii) Backup recovery test of the ANPR system be undertaken as soon as it is safe to do so.	Sep-23	See para. 2.11-2.13

3 HMICFRS update

Overview

- 3.1 The Commissioner presented progress against A New Met for London and reasons for the Engage status to the HMICFRS Policing Performance Oversight Group (PPOG) meeting on 14 September 2023.

- 3.2 Over the last quarter, we have continued to focus on ensuring comprehensive but succinct updates for all recommendations and areas for improvement (AFIs). This has been particularly important in relation to 17 recommendations (across five Causes of Concern) from the report “An inspection of the Metropolitan Police Service’s counter-corruption arrangements and other matters related to the Daniel Morgan Independent Panel”, whose deadline was 31 March 2023.
- 3.3 Over the last quarter, the Met has conducted substantial internal assurance activity on updates. We have submitted to HMICFRS the ‘current position’ for all 17 recommendations and two AFIs and at the time of writing, our Force Liaison Lead and Force Inspection Officer have verified and closed 8 recommendations. They will continue to verify progress over the coming weeks as part of the concurrent PEEL insight activity to determine if there is sufficient evidence for HMICFRS to close the remaining recommendations and areas for improvement or identify shortcomings still to be addressed.
- 3.4 There are 2 recommendations which remain incomplete:

Recommendation
<p><u>Vetting status of designated posts</u></p> <p><i>By 31 March 2023, the MPS should establish & begin operation of a process to determine the vetting status of all personnel in designated posts; & as soon as possible thereafter; ensure that all designated post holders are vetted to the enhanced (management vetting) level; & provide continued assurance that designated post holders always have the requisite vetting level.</i></p>
<p><u>Property storage and record keeping</u></p> <p><i>By 31 March 2023, the MPS should: make adequate provision for the effective storage of property & exhibits, including the provision of sufficient capacity & robust security (including for firearms & other high-risk items); develop an effective process for the handover of property between BCUs/OCUs & the LDSS (Locally Delivered Support Services), including property that has been rejected before being accepted into the property stores; improve its record keeping in relation to stored property; & ensure it has sufficient supervisory oversight of the property process.</i></p>

- 3.5 Although progress has been made, there are outstanding elements to be addressed:
 - a. **Vetting status of designated posts** - the expected date of completion for this recommendation is 31 October 2023, in line with a duplicate recommendation in the national thematic counter-corruption report.
 - b. **Property storage and record keeping** – Significant progress has been made. HMICFRS recently met the senior team responsible and have expressed confidence in their plans. On record keeping The Criminal Exhibits Transformation Programme is well progressed, with increases to capacity and quality of supervision already implemented. Staff managing

exhibits have received additional mandatory training. We've improved policy guidance that is easier to access. We have implemented a new MO11 Operating Model that significantly increases data-led supervisory oversight & assurance at the Local Criminal Exhibit Stores. Whilst the work to meet all HMICFRS concerns will not be complete until 2024 (owing largely to the long-term expansion of capacity required) We expect to be in a position within 6 months to have sufficiently addressed HMICFRS's concerns insofar as that is required to place the MPS out of Engage.

Recommendations

- 3.6 From June 2022 – July 2023, the Met has received 13 HMICFRS and 114 Causes of Concern (CoC), Recommendations (REC) or Areas for Improvements (AFI).

DATE	NATIONAL OR MET SPECIFIC	REPORT TITLE	CoC	REC	AFI	TOTAL
2021/22	Met	PEEL 2021/22 – An inspection of the Metropolitan Police	1	5	20	26
2021/22	National	An inspection of vetting, misconduct, and misogyny in the police service	0	18	5	23
2021/22	National	Twenty years on, is MAPPA achieving its objectives? A joint thematic inspection of Multi-Agency Public Protection Arrangements	0	4	0	4
2021/22	National	Digital forensics: An inspection into how well the police and other agencies use digital forensics in their investigations	0	3	0	3
2021/22	National	An inspection of how well the police tackle serious youth violence.	0	2	0	2
2022/23	Met	An inspection of the Metropolitan Police Service's response to lessons from the Stephen Port murders.	0	20	0	20
2022/23	National	An inspection of how well the police and National Crime Agency tackle the online sexual abuse and exploitation of children	0	11	0	11
2022/23	National	An inspection of the London regional response to serious and organised crime	0	0	4	4
2022/23	National	PEEL Spotlight - The police response to burglary, robbery, and other acquisitive crime - Finding time for crime	0	2	0	2
2023/24	National	Values and culture in fire and rescue services	0	1	0	1
2023/24	National	PEEL Spotlight report - Police performance - Getting a grip	0	3	0	3
2023/24	National	Homicide prevention. An inspection of the police contribution to the prevention of homicide	0	2	0	2
2023/24	National	An inspection of how effective police forces are in the deployment of firearms	0	8	0	8
2023/24	National	Race and Policing - An inspection of race disparity in police criminal justice decision-making	0	5	0	0
		Grand Total	1	84	29	114

- 3.7 All agreed HMICFRS recommendations are tracked and progress against them is reported via Risk and Assurance Committee and updates provided to HMICFRS via their Monitoring Portal.
- 3.8 There are 82 recommendations still being progressed, and 39 are currently awaiting verification by HMICFRS before closure – 14 of our Daniel Morgan Independent Panel recommendations are now formally closed by the Inspectorate:

Report title	Being progressed	Awaiting HMICFRS verification or closed	Total
PEEL 2021/22 – An inspection of the Metropolitan Police	24	2	26
An inspection of the Metropolitan Police Service’s response to lessons from the Stephen Port murders.	16	4	20
An inspection of how well the police and National Crime Agency tackle the online sexual abuse and exploitation of children	9	0	9
An inspection of vetting, misconduct, and misogyny in the police service	7	15	22
An inspection of the Metropolitan Police Service’s counter-corruption arrangements and other matters related to the Daniel Morgan Independent Panel	3	14	17
An inspection of how effective police forces are in the deployment of firearms	5	0	5
An inspection of the London regional response to serious and organised crime	3	0	3
Digital forensics: An inspection into how well the police and other agencies use digital forensics in their investigations	3	0	3
PEEL Spotlight - The police response to burglary, robbery, and other acquisitive crime - Finding time for crime	2	0	2
PEEL Spotlight report - Police performance - Getting a grip	2	0	2
National Child Protection Inspections. 2019 thematic report	2	0	2
Twenty years on, is MAPPA achieving its objectives? A joint thematic inspection of Multi-Agency Public Protection Arrangements	1	1	2
An inspection of how well the police tackle serious youth violence.	1	0	1
A joint thematic inspection of the police and Crown Prosecution Service’s response to rape. Phase two: Exploring rape survivors’ experiences of the police and other criminal justice agencies	1	1	2
Values and culture in fire and rescue services	0	1	1
A Joint thematic inspection of the criminal justice journey for individuals with mental health needs and disorder.	0	1	1
Grand Total	82	32	117

Current inspections

3.9 **PEEL Assessment 2023/24** – the 12-month PEEL assessment evidence window opened on 10 April 2023 and will conclude with the ‘final evidence gathering period’ (formerly known as fieldwork) in March 2024 (dates tbc). The formal Victim Service Assessment (VSA) is expected to take place in the autumn; however, no date has yet been set. Insight activity on BCUs/OCUs has commenced – visits have already taken place on:

- Central South BCU;
- North East BCU;
- South West BCU;
- South East BCU;
- MO7 – Mounted Branch;
- MO7 – (4) TSG; and
- MO9 – Custody at Forest Gate
- West Area BCU (30-31 August)

- MO9 – Custody at Heathrow (30-31 August)
- Central East BCU (13-14 September);
- MO7 - Marine Policing Unit (28 September);

Further visits are planned between October – November:

- North West BCU (10-11 October);
- MO9 – Custody at Colindale;
- MO7 – Dog Support Unit (25 October);
- North Area BCU (1-2 November); and
- MO9 – Custody at Wood Green

MetCC are visited on a regular basis as part of the PEEL continuous assessment process given the cause of concern raised in PEEL 2020/21 “*The force needs to improve how it answers calls for service and how it identifies vulnerability at the first point of contact*”. The new HMI, Lee Freeman visited MetCC on 31 August to observe operations (first contact and despatch). This was a positive visit where we were able to instil confidence with the considerable progress made and whilst the work is not complete, we were honest in the challenges that remain but most importantly able to demonstrate a plan that we were delivering too that would fix them.

3.10 **Child Criminal Exploitation / Child Sexual Exploitation (lead AC Louisa Rolfe)**

MOPAC commissioned HMICFRS to conduct an inspection into CCE & CSE. Specifically, they are looking to answer the following questions:

- *How well does the MPS understand the nature and scale of CSE and CCE?*
- How effective is the MPS’s response to CSE and CCE?
- How well does *the MPS support and safeguard victims and survivors?*

At the time of writing, the inspection is taking place (began 4 September and will conclude on 29 September). It began with a Strategic Briefing by Cmdr. Kevin Southworth to the whole inspection team. The inspection will include a significant crime file review covering 11 different crime types:

- Child Sexual Exploitation (CSE)
- Child Criminal Exploitation (CCE)
- Online CSE
- Missing children (those with 10+ missing episodes in last six months)
- 588 records (where they are not linked to a substantive criminal offence)
- Possession with Intent to supply drugs
- Child (U18) victims of knife crime
- Child (U18) suspects of weapons offences
- Cause/Incite sexual offences
- Grooming
- Sexual communication

All 12 BCUs are being visited and will consist of strategic interviews from central teams as well as local teams. In addition, and as part of reality testing there are 12 focus groups (across 6 BCUs). It is anticipated the final report will be published in early 2024 ahead of purdah.

Forthcoming inspections

3.11 Op Bluestone Soteria (AC Louisa Rolfe)

The Home Secretary commissioned HMICFRS to undertake an inspection to map police forces' approach to adopting the Soteria National Operating Model (NOM) and to report on the challenges and benefits it presents. The focus of this inspection will report on the five Soteria pathfinder and 14 expansion forces. The inspection will involve fieldwork in nine forces; the Met is one of these forces.

The inspection will consider how effectively forces have adopted the NOM in each of the six pillars of the Soteria model. They will address the following questions:

- *To what extent have forces adopted the Soteria model, and to what extent do they conduct suspect-focused investigations?*
- *How effectively do forces identify and disrupt repeat offenders and suspects?*
- *How effectively do forces carry out victim-centred investigations and achieve procedural justice?*
- *How effectively do forces provide for their officers' well-being in the context of rape and sexual offences investigations?*
- *How effectively do forces prioritise officer and staff learning and development on the national standards for rape and sexual offences investigations?*
- *To what extent do forces have good strategic analysis to improve rape and other sexual offences investigations and to prevent offences?*
- *How effectively do forces' digital forensic services provide quality and timely support for rape and other sexual offences investigations?*

The entirety of the fieldwork will take place between 30 October and 30 November 2023. The Met's fieldwork, which will be conducted remotely, will take place on 13 November for 5 days.

Recently published inspection reports

3.12 Since last report, 4 national thematic HMICFRS reports have been published:

- **PEEL Spotlight – Police Performance – Getting a grip** (Lead DAC Alexis Boon)
This report was published on 7 July 2023 and generated six recommendations, three of which are for police forces to address. The recommendations have been considered and accepted and work to address them is now taking place (much of which already in train) by the January 2024 deadline.
- **An inspection of how effective police forces are in the deployment of firearms** (Lead Cmdr. Fiona Mallon)
This report was published on 11 July 2023 and generated 12 recommendations, eight of which are for police forces to address. The recommendations have been considered and accepted and work to address five is in progress and expected to be completed by the respective deadlines of 31 October 2023, 31 December 2023, and 31 July 2024. The remaining three recommendations are considered complete and, as Level 2 recommendations, can be closed by the Commissioner upon assurance the recommendation has been fully met.
- **Homicide prevention - An inspection of the police contribution to the prevention of homicide** (Lead DAC Matt Ward)

This report was published on 11 August 2023 and generated three recommendations, two of which are for police forces to address. These recommendations are currently being considered for acceptance.

- **Race and Policing – An inception of race disparity in police criminal justice decision-making** (AC Matt Twist)

This report was published on 25 August 2023 and generated thirteen recommendations, five of which are for police forces to address. These recommendations are currently being considered for acceptance.

Next steps

- 3.13 Met leads will continue to press for appropriate action to address recommendations within the agreed timeframes for inspections.

4 Equality and Diversity Impact

This paper outlines HMICFRS inspection activity and DARA audits. Any significant programmes of work undertaken to implement recommendations will be subject to equality impact assessment.

5 Financial Implications

There are no direct financial implications arising from this report. Any additional financial implications from the findings of audits and inspections will be subject to normal investment processes.

6 Legal Implications

There are no direct legal implications arising from this report.

7 Risk Implications

Inspections can highlight significant corporate risks. These are analysed by the Planning and Risk Team and included in the Met's risk management framework where applicable. This paper has no direct health and safety implications.

8 Contact Details

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MOPACMAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

MPS-MOPAC JOINT AUDIT PANEL

2 October 2023

Directorate of Audit, Risk and Assurance Activity Report

Report by: Director of Audit, Risk and Assurance, HIA for MOPAC and the MPS

Report Summary

This report highlights internal audit activity since the Panel last met, which includes risk and assurance reviews, advisory work and counter fraud activity, a forward look to planned activity for the next quarter is also included.

Key Considerations for the Panel

- Key advisory work includes development and enhancement of the MPS Risk Management and Assurance Frameworks and the MOPAC Risk Management Framework. Further work is planned in the coming quarter to build on the work carried out to date, which is highlighted in the MPS and MOPAC risk updates to this meeting of the Panel.
- Reviews of MOPAC VRU Commissioning Framework, MPS Cloud Security and Youth Offending Teams, carried forward from last year's programme, are at draft report with the outcomes to be shared with the Panel at its next meeting.
- Audits underway include: MPS Expenses Control Framework, Management of Major ICT Contracts, Major Events Planning and Engagement and follow up reviews of Accounts Receivable and Firearms Licensing. A proactive review of a specialist policing Command has also commenced.
- The MPS Contract Management review planned for the coming quarter will include reviewing arrangements for third party assurance, building on a current exercise being conducted by the MPS in response to the reported cyber security incident.

Interdependencies/Cross Cutting Issues

DARA review activity informs the MOPAC and Met Governance Improvement Plans being considered at this meeting and provides assurance on key areas of risk identified in the MOPAC and MPS risk assessments.

Recommendations

The Audit Panel is recommended to consider the outcome of DARA work undertaken to date and the status of current and planned activity.

1. Supporting Information

Audit Activity Undertaken

- 1.1. Since the Panel last met, DARA work has focused on concluding work from last year's programme, commencing a number of risk and assurance reviews and advisory work from this year's plan and scoping upcoming activity, summarised in the **Appendix**.
- 1.2. Risk and assurance reviews published, following agreement of action to address key findings, highlighted in the 2022/23 Internal Audit Annual Report include; Framework Supporting Use of ANPR Systems, Grievance Management Framework, Grey ICT Estate and Governance of MPS Voluntary Organisations, all rated as limited assurance - plans are in place to address the risks identified, which will be overseen by the Met's Risk and Assurance Committee.
- 1.3. The Director of Audit, Risk and Assurance presented the Internal Audit Annual Report and opinion for 2022/23 to the September meeting of the Met's Risk and Assurance Committee. In liaison with DARA, the MPS is consolidating the various improvement plans and activity taking place to address the underlying strategic issues highlighted, to improve effectiveness of the internal control environment. Management Board will track progress throughout the year and prioritise any further action needed.
- 1.4. Risk and Assurance reviews carried forward and underway from this year's programme include; Cloud Security Management, Youth Offending Teams and VRU Commissioning Framework, currently at draft report and MPS Expenses Control Framework and Major Event Planning and Delivery.
- 1.5. Key advisory work underway from this year's programme includes:

MPS Risk Management Framework - DARA continue to work with the MPS Head of Strategic Planning & Risk supporting development of the risk management framework. This draws on previous DARA review activity and audit advice on the development of an integrated framework designed to support delivery of the New Met for London plan. Advice is focused on clarifying key accountabilities, simplifying documentation to embed the approach and risk escalation, defining risk appetite, and ensuring risk management is properly integrated within core business processes and supported by appropriate expertise and resource.

MPS Assurance Framework - DARA are working with Front Line Policing colleagues to develop their assurance framework and function, aiming to capture and map existing assurance functionality, identify gaps and determine the strategic approach, in particular, for level one and two assurance going forward. This will include looking at the Command Assessment process to inform future development.

The Met has also commenced work on the wider assurance framework looking to adopt the three lines model. DARA are to facilitate a workshop to

bring all current activity together and advise on the practical application of the model. This will facilitate current considerations on the strategic approach and level and nature of increased resource needed if effective risk management and assurance is to be successfully embedded across the Met.

Proactive Review – Specialist Policing Command - an independent pro-active review of the Command is underway, which includes analysis of overtime, allowances and expenses and procurement activity. Advice will also be provided as appropriate on the management and oversight of these areas going forward.

MOPAC Oversight Governance - advising on the governance arrangements supporting the London Policing Board, in particular the development of the terms of reference for the Board and its sub boards.

MOPAC Risk Management Framework - the Head of Audit and Assurance – Risk Management, has worked with the MOPAC risk lead to review and update the risk management framework. This included updating the documented framework to clearly define roles and responsibilities and key accountabilities and escalation routes, and developing a defined risk appetite for the consideration of MOPAC Board. This will enhance risk maturity and help to direct resources where needed. The enhanced process will be supported by DARA facilitated risk awareness workshops in the coming quarter.

MOPAC Core Processes - advising on the revised processes supporting budgetary control and payments to suppliers and proposals to support the provision of training across key areas of the business. In particular, roles and responsibilities have been clarified and work processes better defined and streamlined. Focus in the coming quarter will be developing the contracts and grants management framework.

- 1.6. Counter fraud activity - there are 1,373 NFI matches open and under investigation with work continuing to progress all unopened matches. Overpayments pension for injury benefits have been identified and recovered. Recovery of the duplicate payment identified of £500k has taken place. An officer failing to declare secondary employment has been referred for a possible misconduct investigation. The Counter Fraud team has also assisted with referral of a case to Action Fraud and another police force. The DARA Counter Fraud Manager has now taken up post and will be working with the Head of Audit and Assurance – Operational Policing and DPS colleagues to implement a proactive counter fraud programme, whilst advising on counter corruption governance.

Planned Activity for the Next Quarter

- 1.7. Reviews at draft report stage and underway will be concluded and work commenced on those reviews planned for the next quarter. Key reviews include; MOPAC and MPS Financial Management Code of Practice Compliance, MPS Trauma Support Effectiveness and Accessibility and

towards the end of the quarter, Oversight and Delivery of the Capital Strategy and Programme.

- 1.8. DARA are working with Front Line Policing colleagues on developing the risk and control awareness programme, which will support current activity on the assurance framework. Advisory activity to support delivery of the Culture, Diversity and Inclusion Strategy will also commence in liaison with AC Professionalism.
- 1.9. The Director of Audit Risk and Assurance is chairing the national Police Audit Group Conference at Warwick in November 2023. Key developments in the world of auditing and policing will be considered with the input of specialists in the profession and representatives from across policing, including the national lead on Counter Corruption.

DARA Performance

- 1.10. Work is underway in line with that planned with time being spent across areas of activity as planned.

2. Equality and Diversity Impact

The MOPAC and MPS commitment to diversity and inclusion are considered in all activities carried out by DARA. The DARA work plan is designed to provide as wide a range of coverage of MOPAC and the MPS as possible.

3. Financial Implications

There are no direct financial implications arising from the report. There is a risk of loss, fraud, waste and inefficiency if agreed actions arising as a result of audit activity are not implemented effectively. Savings and recoveries made as a result of DARA activity enable funds to be better directed towards core policing.

4. Legal Implications

There are no direct legal implications arising from the report.

5. Risk Implications

There are no direct risk implications arising from the report. Completion of the audit plan enables the Director of Audit, Risk and Assurance to provide assurance on the effectiveness of risk management arrangements.

6. Contact Details

Report author: Julie Norgrove, Director of Audit, Risk and Assurance

7. Appendices and Background Papers

Appendix – Summary of DARA Activity – Official Sensitive

M O P A C

MAYOR OF LONDON
OFFICE FOR POLICING AND CRIME



MPS-MOPAC JOINT AUDIT PANEL 2 October 2023

Treasury Management Outturn 2022/23

Report by: The Interim MOPAC Chief Finance Officer and Director of Corporate Services

Report Summary

Overall Summary of the Purpose of the Report

This report sets out the performance of the 2022/23 MOPAC Treasury Management (TM) function.

Key Considerations for the Panel

To note the performance and compliance of the treasury function during 2022/23.

Interdependencies/Cross Cutting Issues

Risk register, governance, financial oversight

Recommendations

The Audit Panel is recommended to:

- a. Note the treasury management 2022/23 outturn

1. Supporting Information

- 1.1. This paper provides an update on the Treasury Management function performance during 2022/23.

2022/23 Outturn

- 1.2. All investment and borrowing activity during 2022/23 was undertaken within the guidelines and objectives set out in the relevant policy and investment and borrowing strategies.
- 1.3. The Authority's weighted average investment return on investment was 2.67% against a performance benchmark rate of 2.47%, an out performance of 0.20%. The benchmark is a combination of average return on Fixed Term Investments, a RMBS return target and the Strategic Investments return target. The benchmark is a combination of average return on Fixed Term Investments, a RMBS return target and the Strategic Investments return target.
- 1.4. New long-term PWLB loan borrowing of £200m was undertaken during the year, increasing the total borrowing to £486.15m at 31st March 2023. The new long term borrowing was taken in order to fund the MOPAC Group's capital financing requirement. The cost of borrowing was £9.51m. The weighted average cost of borrowing of all long term loans as at 31 March 2022 was 3.29% (3.30% as at March 2021).
- 1.5. The full report is attached at Appendix One.

2. Equality and Diversity Impact

There are no equality and diversity implications directly arising from this report.

3. Financial Implications

The cost of external borrowing for 2022/23 was £14.33m. Interest receivable and investment income achieved during 2022/23 was £10.84m. Both external borrowing costs and interest receivable were broadly in line with revised budgets.

4. Legal Implications

There are no legal implications arising from this report

5. Risk Implications

- 5.1. The investment strategy is set to reflect the low risk appetite of MOPAC, and in line with the principles of the CIPFA Code of Practice. Borrowing is currently all fixed rate and with the Public Works Loans Board (PWLB) in order to provide certainty of exposure.
- 5.2. Whilst every effort is made to minimise the likelihood of an incident the failure of for example a counter party would generate risks to the sum deposited and reputational risk for MOPAC

6. Contact Details

Report author: Annabel Cowell, Deputy CFO and Head of Financial Management MOPAC, Director Lisa Kitto, Interim CFO and Director of Corporate Services

7. Appendices and Background Papers

Appendix 1 – Treasury Management 2022/23 Outturn

GREATER LONDON AUTHORITY

GROUP TREASURY

Treasury Management Outturn for 2022/23

MOPAC

Executive Summary:

This report is submitted in accordance with a requirement under the Treasury Management in the Public Services Code of Practice (The Code), issued by the Chartered Institute of Public Finance and Accountancy (CIPFA), which requires the submission of an outturn report on the activities of the MOPAC Group's treasury management operation.

The MOPAC Group's invested balances have increased from £1.51m as at 31 March 2022 to £202.19m at 31 March 2023.

The MOPAC Group's long-term outstanding borrowing has increased from £287.75m at 31 March 2022 to £486.15m 31 March 2023.

Interest receivable and investment income achieved during 2022/23 was £10.84m.

Interest payable on external borrowing for 2022/23 was £14.33m against a budget of £18.40m.

All 2022/23 Treasury activity has been within the boundaries and levels set by the MOPAC Group in its Treasury Management Strategy Statement on 31 March 2022, DMPC Decision PCD 1169.

Recommendation:

That the following is noted:

The 2022/23 Treasury outturn results against the 2022/23 Treasury Management Strategy Statement, as approved on the 31 March 2022, DMPC PCD 1169.

Introduction/Background

1. This report provides details of all investment and borrowing activities for the period from 1 April 2022 to 31 March 2023 and highlights relevant issues currently under consideration by officers. It provides a comparison of the closing investment and debt positions as at 31 March 2023 with the opening position as at 1 April 2022.
2. Under the treasury management shared service arrangement with the Greater London Authority (GLA), GLA treasury officers carry out the MOPAC Group's day to day treasury management function, managing the MOPAC Group's investments and borrowing activities. The GLA now delivers investment management through a wholly owned subsidiary, London Treasury Limited (LTL), authorised and regulated by the Financial Conduct Authority (FCA). Authority officers provide the GLA with details of the MOPAC Group's daily cash flow requirements and monies are only transferred between the Authorities as and when required to match Authority need. This way, surplus funds over and above daily need are continuously held with the Group Investment Syndicate (GIS), the GLA vehicle used by the MOPAC Group to maximise liquidity and investment return. Should temporary borrowing be required by the MOPAC Group, GLA treasury officers will arrange loans on behalf of MOPAC.

Compliance with the 2022/23 Treasury Management Strategy Statement

3. The GLA's Chief Investment Officer confirms that, throughout the period, all treasury activities have been conducted within the parameters of the 2022/23 Treasury Management Strategy Statement (TMSS), alongside best practice suggested by the Chartered Institute of Public Finance and Accountancy (CIPFA) and Central Government.
4. Against a backdrop of stubborn inflationary pressures, the easing of Covid restrictions in most developed economies, the Russian invasion of Ukraine, and a range of different UK Government policies, UK interest rates have been volatile right across the curve, from Bank Rate through to 50-year gilt yields, for all of 2022/23.
5. Bank Rate increased steadily throughout 2022/23, starting at 0.75% and finishing at 4.25%.
6. CPI inflation picked up to what should be a peak reading of 11.1% in October, although hopes for significant falls from this level will very much rest on the movements in the gas and electricity markets, as well as the supply-side factors impacting food prices. On balance, most commentators expect the CPI measure of inflation to drop back towards 4% by the end of 2023. 2023 is also likely to see a housing correction of some magnitude as fixed-rate mortgages have moved above 4.5% and affordability has been squeezed despite proposed Stamp Duty cuts remaining in place.

Current Treasury Management Position

7. The table below shows the treasury management position at 31 March 2022 against the position at 31 March 2023.

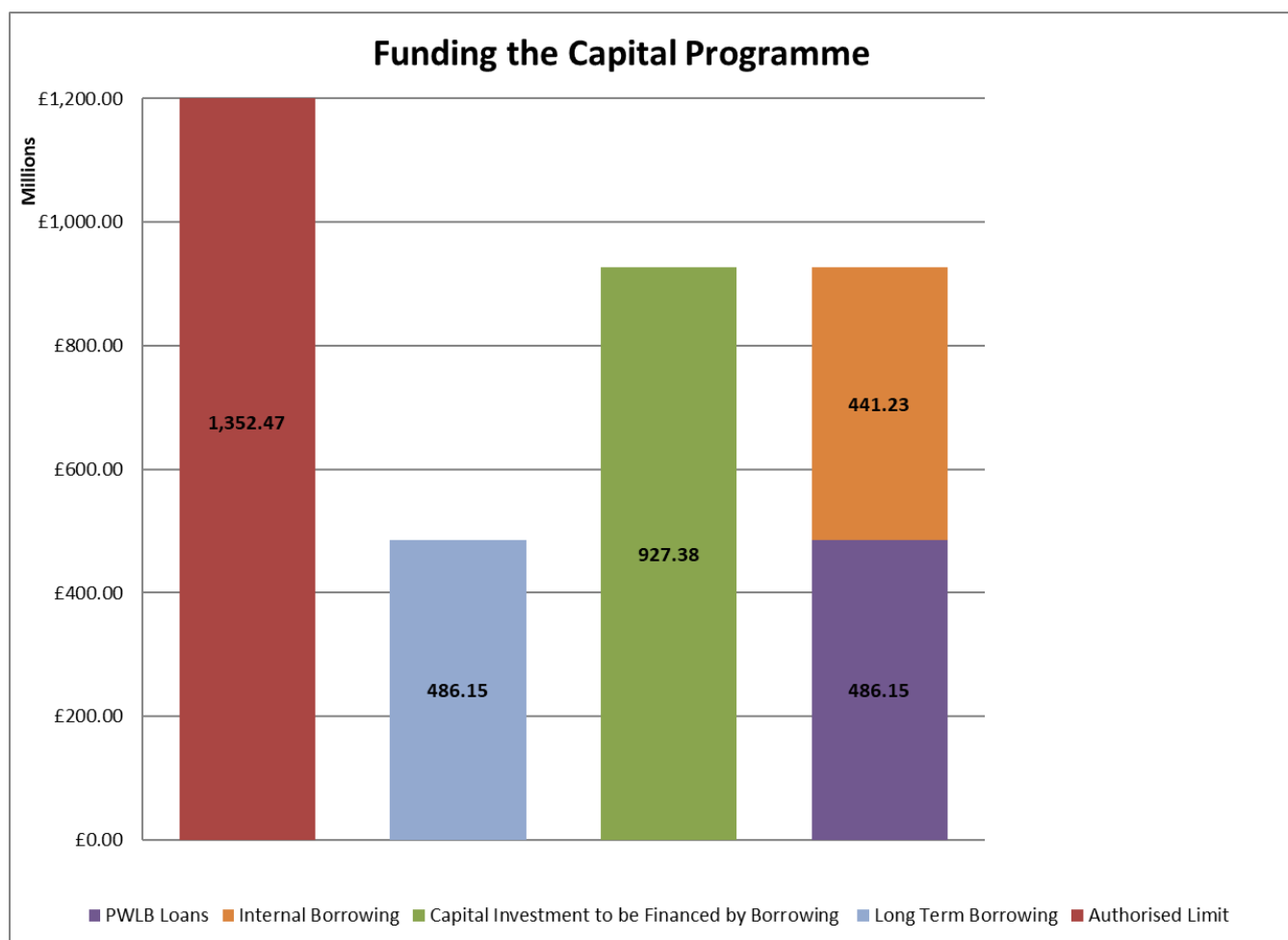
Current Treasury Position	TMSS Forecast to 31 March 2023	Actual as at 31st March 2023		Revised Forecast to 31 March 2023	
	£m	£m	Rate %*	£m	Rate %*
External Borrowing					
Long Term Borrowing: PWLB	653.70	486.15	3.27%	486.15	3.27%
Total External Borrowing	653.70	486.15		486.15	
Other Long-Term Liabilities					
PFI Liability & Finance Lease Liability	54.50	54.29		54.50	
Total Other Long-Term Liabilities	54.50	54.29		54.50	
Total Gross Debt	708.20	540.44		540.65	
Capital Financing Requirement	1,232.80	981.67		1,047.80	
Less Other Long-Term Liabilities	54.40	54.29		54.30	
Underlying Capital Borrowing Requirement	1,178.40	927.38		993.50	
Under/(Over) Borrowing	524.70	441.23		507.35	
Investments	55.90	202.19	4.39%	178.17	3.93%
Total Net Borrowing	597.80	283.96		307.98	

*Rate is the annualised yield as at the reporting date.

Borrowing Outturn

8. The MOPAC Group is permitted to borrow in order to finance spending for its Capital Programme. The amount of new borrowing needed each year is determined by new capital schemes approved and included in the Capital Programme.
9. Private Financing Initiative (PFI) liabilities increased by £0.19m from £54.10m as at the 31 March 2022 to £54.29m as at 31 March 2023. Finance lease liabilities reduced from £6.57m as at the 31 March 2022 to £6.10m as at the 31 March 2023.
10. New long-term PWLB loan borrowing of £200m was undertaken during the year, increasing the total borrowing to £486.15m at 31st March 2023. The new long term borrowing was taken in order to fund the MOPAC Group's capital financing requirement.
11. The graph below compares the MOPAC Group's capital investment to be financed by borrowing and the actual position of how this is being financed at 31 March 2023. The final column shows the split between short-term (internal and

external borrowing with duration of less than one year) and long-term borrowing.



12. The above graph shows the MOPAC Group’s current capital investment that is being funded via external borrowing, as at the 31 March 2023, is £927.38m, which is £425.09m below the revised Authorised Borrowing Limit.

13. In addition, the graph shows how the MOPAC Group is currently funding its borrowing requirement. As at 31 March 2022, the MOPAC Group was using £441.23m of internal borrowing to finance capital investment. Internal borrowing is the use of the MOPAC Group’s surplus cash to finance the borrowing requirement instead of borrowing externally.

Investment Governance

14. The MOPAC Group’s short-term cash balances are invested through the GLA Group Investment Syndicate (GIS). Current GIS participants are the Greater London Authority (GLA), the London Fire Commissioner (LFC), the London Legacy Development Corporation (LLDC), the London Pensions Fund Authority (LPFA), and the Mayor’s Office for Policing and Crime (MOPAC), with the respective Chief Financial Officers of each GIS participant jointly controlling the GIS.

15. The GIS is the GLA Group's liquidity solution for the participant within the treasury shared service. It is managed by LTL in a similar fashion to a commercial money market fund. Participants can deposit and withdraw funds daily, which restricts investments to highly secure, short-duration instruments with low price volatility.
16. Pooling resources allows the Group Treasury team to make larger individual transactions and exploit the greater stability of pooled cash flows to obtain better returns. A risk sharing agreement ensures risk and reward relating to each instrument within the jointly controlled portfolio are shared in direct proportion to each participant investment.
17. Summer 2023 will see the completion of the transition of the Group Investment Syndicate (GIS) assets from the GLA into London Treasury Liquidity Fund LP (LTLF) (formerly known as GLA Strategic Reserve LP). The GLA is currently the sole investor in LTLF, with the GIS participants owning a pro-rata share of the GLA's existing partnership interest through the GIS. When the current GIS contractual arrangements cease, each GIS participant joins LTLF as a limited partner and replaces its GIS interest with an equivalent interest directly in LTLF.
18. The underlying investments and the investment strategy remain unchanged by the transition to LTLF. The participants' key governance rights, such as changing the investment strategy, are maintained in the constitution of LTLF through the Limited Partners' Advisory Committee (LPAC), in order to also preserve limited partners' limited liability. The new fund structure, an Alternative Investment Fund (AIF), simplifies accounting for the participants and provides additional regulated oversight and assurance via an independent Alternative Investment Fund Manager (AIFM) and depository. The establishment of LTLF will facilitate the participation of bodies outside the GLA family, growing the fund and passing resulting economies of scale back to its participants.
19. Additionally, the MOPAC Group may invest sums independently of the GIS, for instance if the MOPAC Group identifies balances which are available for longer term investment. Such investments must remain within the parameters of the GIS Investment Strategy, except that there shall be no requirement to maintain a weighted average maturity which does not exceed 90 days. However, each participant can place a limit on the duration of these longer-term investments. For 2022/23, the MOPAC Group opted not to enter into any investments longer than 365 days in its own name, wishing to limit counterparty risk and liquidity risk.
20. At no time does the GIS Investment Strategy conflict with the MOPAC Group's TMSS.
21. The MOPAC Group's TMSS adheres to the CIPFA Prudential Code investment principle of placing security above liquidity and investment yield and then placing liquidity above investment yield. As such, the MOPAC Group maintains a low risk appetite consistent with good stewardship of public funds.

Investment Outturn

22. Investment balances as at 31 March 2023 were £202.19m, this being an increase of £200.68m over year-end balances as at 31 March 2022. This was mainly due

to the decision to undertake external borrowing before interest rates started to rise dramatically to fund internal borrowing.

Performance

23. The Authority's weighted average investment return on investment was 2.67% against a performance benchmark rate of 2.47%, an out performance of 0.20%. The benchmark is a combination of average return on Fixed Term Investments, a RMBS return target and the Strategic Investments return target. The benchmark is a combination of average return on Fixed Term Investments, a RMBS return target and the Strategic Investments return target.

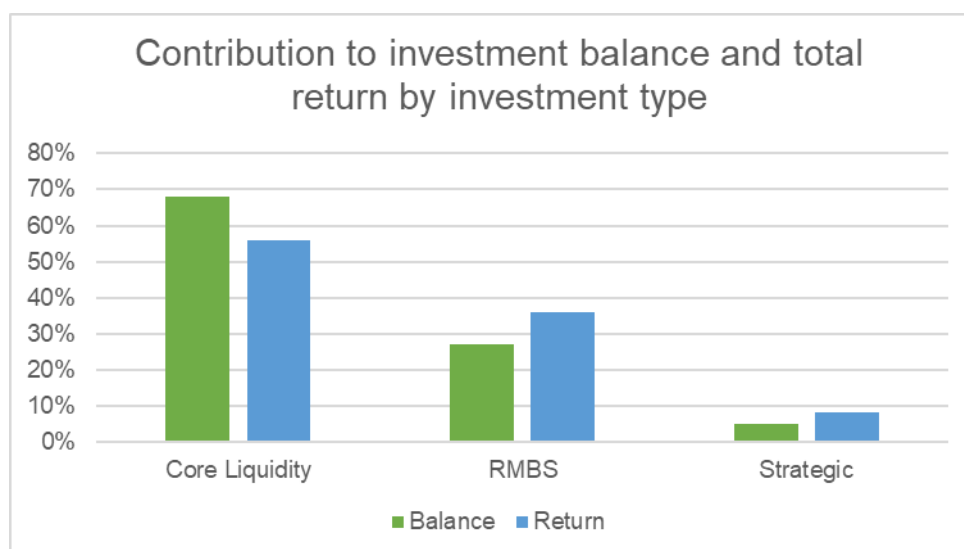
Average Investment and Performance

24. Average investments over the reporting period were £395.89m. The Investment portfolio consist of three elements:

- Core Liquidity
- RMBS
- Strategic Investments

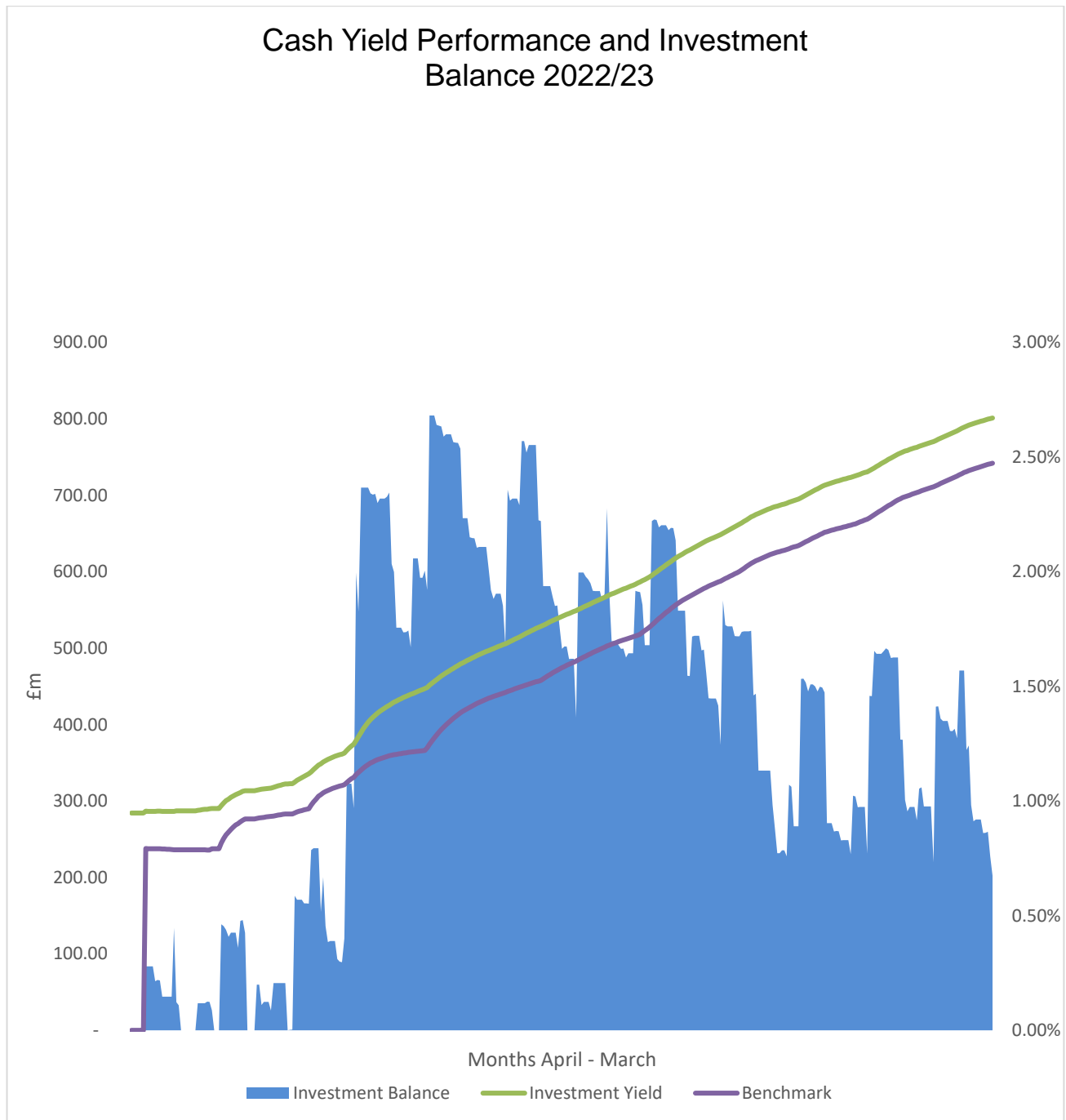
25. The table and chart below show the split of investment and return on each element of investment in the financial year 2022/23.

	Strategic	Core Liquidity	RMBS	Total
Average Investment (£m)	19.46	273.48	102.95	395.89
%	5%	69%	26%	100%
Interest (£m)	14.93	107.49	69.57	191.98
%	8%	56%	36%	100%

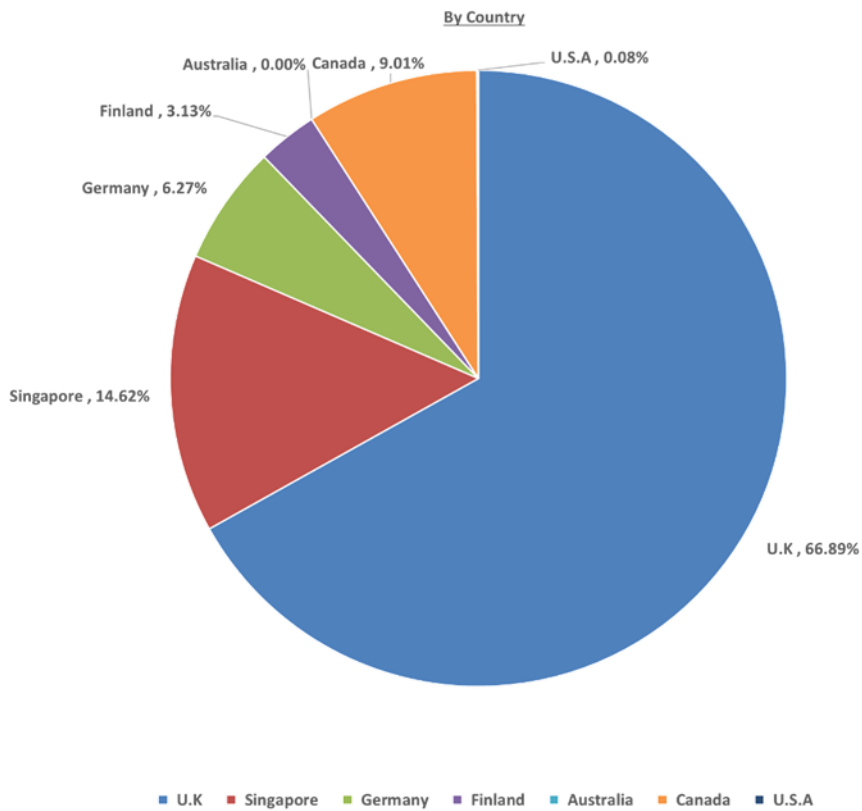
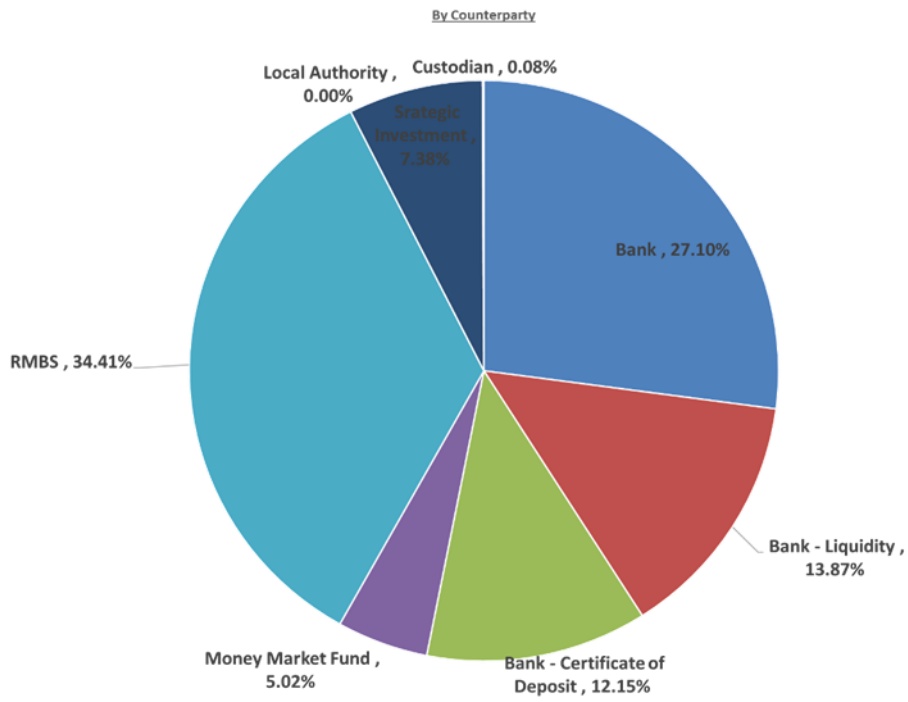


26. The following graph shows the MOPAC Group's outperformance described above, alongside the Group's investment balances throughout period.

Fluctuations in balances reflect the differences in the timing of grants and expenditure.



27. The MOPAC Group's investment portfolio, as at 31 March 2023, is well diversified as is demonstrated in the chart below.



Treasury Management Budget

Treasury Management Budget	2022-23 Original Estimate £m	2022-23 Actual as at 31.03.23 £m	2022-23 Revised Estimate £m	2022-23 Variance between Original Estimate and Revised Estimate £m
Interest payable: PWLB	18.40	14.33	14.33	-4.07
Interest payable: Other Long-Term Liabilities	12.40	12.36	12.30	-0.10
Investment Income	-2.00	-10.84	-10.07	-8.07
Total	28.80	15.85	16.56	-12.24

CIPFA Prudential Code Indicators and Treasury Management Limits

Background

28. The Prudential Code has been developed by CIPFA. The Code has a central role in capital finance decisions, including borrowing for capital investment. Its key objectives are to provide a framework for local authority capital finance that will ensure for individual local authorities that capital expenditure plans are affordable; all external borrowing and other long-term liabilities are within prudent and sustainable levels and that treasury management decisions are taken in accordance with good professional practice.

29. The Prudential Code also has the objective of being consistent with and supporting local strategic planning, local asset management planning and proper option appraisal.

30. Any such framework for the internal control and self-management of capital finance must therefore deal with all three of the following elements:

- a. Capital expenditure plans
- b. External debt
- c. Treasury Management

31. To ensure compliance with the Code in relation to the above elements, the MOPAC Group is required to set and monitor a number of Prudential Indicators. The setting of these Prudential Indicators is a circular rather than a linear process. For example, the level of external debt will follow on from the MOPAC Group's capital plans, revenue forecast and treasury management strategy. However, if initial estimates would result in outcomes that would not be affordable or prudent, then plans for capital and/or revenue are reconsidered.

32. These Prudential Indicators are set out below and reviewed by officers for compliance.

Capital Expenditure

33. Capital expenditure results from the approved capital spending plan and proposed borrowing limits. It is the key driver of Treasury Management activity.

34. All capital expenditure is stated, not just that covered by borrowing.

Capital Expenditure	2022-23 Original Estimate £m	2022-23 Actual as at 31.03.23 £m	2022-23 Revised Estimate £m	2022-23 Variance between Original Estimate and Revised Estimate £m
Total Capital Expenditure	450.40	269.20	321.80	-128.60

The capital expenditure for 2022/23 at £269.20m, was £52.60m less than the budgeted revised forecast.

Capital Financing Requirement

35. The capital financing requirement is an indicator of the underlying need to borrow for capital purposes. It is the total historical outstanding capital expenditure which has not yet been paid for from either revenue or capital resource.

36. Any capital expenditure above, which has not immediately been paid for, will increase the CFR.

37. The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual charge which broadly reduces the borrowing in line with each asset's life.

38. The CFR includes any other long-term liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, and therefore the MOPAC Group's borrowing requirement, these types of schemes include a borrowing facility and so the MOPAC Group is not required to separately borrow for these schemes.

39. This borrowing is not associated with particular items or types of capital expenditure.

Capital Financing Requirement (CFR)	2022-23 Original Estimate £m	2022-23 Revised Estimate £m	2022-23 Variance between Original Estimate and Revised Estimate £m
Total CFR	1,232.80	981.67	-251.13

40. The capital financing requirement at 31 March 2023 is £251.13m lower than forecast at the start of the year.

External Debt Prudential Indicators

Authorised Limit for External Debt

41. The authorised limit is the expected maximum borrowing needed with some headroom for unexpected developments such as unusual cash movements
42. For the purposes of the Prudential Code borrowing is distinguished from other long-term liabilities.
43. The authorised limit is the statutory limit that is determined, by the Mayor in consultation with the Assembly, under section 3 (1) of the Local Government Act 2003. It is intended to be an absolute ceiling which cannot be exceeded, except as provided under section 5 of the Local Government Act 2003, where payments expected but not yet received can temporarily result in the limit being exceeded, provided the original setting of the limit had not taken into account any delay in receipt of the payment.

Authorised Limit for External Debt	2022-23 Original Authorised Limit £m	2022-23 Actual External Debt as at 31.03.23 £m	Headroom £m	2022-23 Revised Authorised Limit £m
Borrowing	873.00	486.15	386.85	873.00
Other long term liabilities	54.40	54.29	0.11	54.40
Total	927.40	540.44	386.96	927.40

44. The authorised limit headroom for external debt is £386.96m at 31 March 2023.

45. Operational Boundary for External Debt

46. The operational boundary is based on the same estimates as the authorised limit. However, it reflects an estimate of the most likely prudent, but not worst case scenario. It equates to the maximum level of external debt under the capital spending plans approved by the Mayor and excludes the headroom included within the authorised limit.
47. The operational boundary is set as a warning signal that external debt has reached a level nearing the authorised limit and must be monitored carefully. It is probably not significant if the operational boundary is breached temporarily on occasions due to variations in cash flow. However, a sustained or regular trend above the operational boundary would be significant, requiring further investigation and action as appropriate.

Operational Boundary for External Debt	2022-23 Original Operational Boundary £m	2022-23 Actual External Debt as at 31.03.23 £m	Headroom £m	2022-23 Revised Operational Boundary £m
Borrowing	748.00	486.15	261.85	748.00
Other long term liabilities	54.40	54.29	0.11	54.40
Total	802.40	540.44	261.96	802.40

The operational boundary headroom for external debt is £261.96m at 31 March 2023.

Treasury Management Prudential Indicator

48. The Treasury Management Prudential Indicator requires the adoption of the latest version of the CIPFA Code of Practice for Treasury Management in the Public Services.

49. The MOPAC Group has adopted the CIPFA Code of Practice for Treasury Management in the Public Services.

Treasury Management Limits on Activity

Limits for Maturity Structure of Borrowing

50. Local Authorities are exposed to the risk of having to refinance debt at a time in the future when interest rates may be volatile or uncertain. The maturity structure of borrowing indicator is designed to assist Authorities in avoiding large concentrations of fixed rate debt that has the same maturity structure and would therefore need to be replaced at the same time. For each maturity period an upper and lower limit is set. This indicator is calculated as the amount of projected borrowing that is fixed rate maturing in each period expressed as a percentage of total projected borrowing that is fixed rate. For the purposes of this indicator only, all borrowing is treated as fixed rate.

Limits for Maturity Structure of Borrowing for 2022-23	Original Upper Limit	Original Lower Limit	As at 31.03.23
	%	%	%
Under 12 months	50.00	0.00	1
12 months and within 24 months	20.00	0.00	1
24 months and within 5 years	20.00	0.00	4
5 years and within 10 years	30.00	0.00	17
10 years and above	100.00	40.00	77

51. The above table shows that the MOPAC Group has a risk appropriate dispersion of debt over the years.

Limits for Principal Sums Invested for Periods Longer than 365 days

52. This indicator seeks to contain the risk inherent in the maturity structure of an Authority's investment portfolio, since investing too much for too long could:

- adversely impact on the Authorities liquidity and in turn its ability to meet its payment obligations and
- also lead to the loss of some of its principal if it is forced to seek early repayment or redemption of principal sums invested

53. Under this indicator the Local Authority is therefore required to set an upper limit for each financial year period for the maturing of its long-term investments.

54. The MOPAC Group has set an upper limit of £0.00, although this limit does not apply to externally managed funds or to pooled monies within the GIS.

New Investments Maturing after 365 days taken between 01/04/22 and 31/03/23

55. No new investment maturing after 365 days was taken during 2022/23. This excludes Strategic investments.

New Long-Term Borrowing taken between 01/04/22 and 31/03/23

56. New fixed rate long-term borrowing of £200m with the PWLB was undertaken between at the end of June with 13 loans of £15m and one for £5m with an average term of 12 years and an average rate of 3.24%.