

## AUDIT PANEL

### Friday, 31 March 2017

---

## MPS Governance Report

Report by: The Director of Strategy and Insight

---

### 1. Report Summary

This report provides an assessment of current progress to deliver against improvement areas identified in the 2015/16 Annual Governance Statement and outlines the activity required to deliver continuing improvement in these areas. The key things you need to know are:

- Progress is evident across all improvement areas but in most cases further work is required or testing is needed to provide assurance that controls are working effectively.
- Gaps remain around how some strategic partnerships will be governed, particularly to support the forthcoming Police and Crime Plan and Blue Light Collaboration.
- Work is on track to deliver the Annual Governance Statement 2016/17 which will be supported by a Code of Governance and published alongside the Met's accounts in May.

### 2. Recommendations

The Audit Panel is recommended to note the progress made within the governance improvement plans over the past year and the ongoing activity required to deliver improvement in these areas.

### 3. Supporting Information

- 3.1 Table A provides an assessment of the areas requiring improvement as outlined in the 2015/16 Annual Governance Statement (AGS). It also outlines the activity required to deliver continuing improvement in these areas.
- 3.2 Across the 10 areas listed below, a total of 45 activities / milestones have been completed or are ongoing to support improvement of the controls in these areas. Business units have reported completion of 18 of these to date.
- 3.3 The MPS Insight Team is currently drafting the 2016/17 AGS for publication with the accounts at the end of May. This will be based on the statements of internal control received from Management Board members and returns from Heads of Profession that are responsible for specific areas of governance

such as information management. For the first time this year the AGS will be supported by a Code of Governance.

- 3.4 The information in this paper will also be used to inform the assessment of improvement areas for the 2016/17 AGS.

**Table A: 2015/16 Annual Governance Statement improvement areas**

	AGS improvement area	Current position	Residual risks and remaining activity
1.	<b>Strategic Planning Framework</b>	A business plan for the Met will be in place for 2017/18 to support delivery of MOPAC's Police & Crime Plan. A working group is in place to bring together leads and functional areas to form an integrated business planning cycle over the next year. When mature, this will actively support decision-making and future business planning.	This continues to be a developing area. Key progress will be to closer align the business plan and financial plans and deliver effective reporting and monitoring. The long term resourcing of the corporate planning functionality needs to be defined and implemented.
2.	<b>Change Governance</b>	Substantial progress has been made in this area. The strategic transformation partner has been supporting changes by helping to shape the One Met Model 2020 including the development of portfolio processes and revising the governance framework. There has been a major restructure across the Portfolio to ensure the right capabilities are in place. This will remain ongoing throughout 2017/18.	Until the Transformation Directorate is operating with full capacity and running effectively, this remains a key risk.
3.	<b>Information Management</b>	Controls are in place to recover and improve performance around subject access and Freedom of Information requests. Operation Filesafe has made considerable progress to improve record keeping across the Met. We are on track to have reviewed 6 million records by March 2018.	The IM Futures Programme Strategic Outline Business Case is yet to be approved. This will focus on developing our technical capability to improve how we review, proportionately retain and delete information across MiPS to enhance our policing effectiveness and maintain legal compliance.
4.	<b>Performance Management</b>	The performance, risk and assurance teams restructured six months ago to form Insight and Data. There is much stronger focus on analytical insight and measures driven by risk rather than number targets to channel the thinking around problem solving and get to	This area is still very much in a reviewing and redesigning of products and services phase. Improvements have been made but there needs to be evidence of both analysts and customers responding and adapting to new ways of working and insightful

		the root of issues to drive success. A number of reports have now been automated to allow more customer self-service. Insight products and services are being reviewed with customers to ensure they are fit for purpose and generating the right conversations to inform decision making.	analysis driving decision making.
5.	<b>Budgetary Control</b>	<p>We have made a number of changes to improve budgetary control including:</p> <ul style="list-style-type: none"> <li>• revised financial delegation levels to support decision-making at the appropriate level;</li> <li>• improved financial governance and accountability by ensuring more rigorous corporate analysis and transparency around budget moves;</li> <li>• published an updated Scheme of Devolved Financial Management to ensure that those with responsibility for committing expenditure are accountable;</li> <li>• increased reliance on local control of budgets to ensure that we deliver on existing commitments and support the One Met Model 2020;</li> <li>• improved alignment of budgets and operational design targets to ensure resources are deployed in line with policing priorities;</li> <li>• established a Gold Group to control overtime expenditure;</li> <li>• and improved internal audit rating on budgetary management as part of a follow up audit.</li> </ul>	<p>Corporate Finance will continue to develop the budget monitoring product provided to the Board, in particular key information on organisational progress in delivering significant planned major change. The new system implementation to enable budget holders to easily access their reports and other budgetary monitoring tools such as dashboards directly in a self-service capacity remains untested in practice and remains a risk.</p>
6.	<b>Training &amp; Development</b>	A lot of activity has taken place in this area including PIP 3 Senior Investigating Officer training, which has been available to non-homicide commands since June to enhance the Met's leadership capability across serious and complex investigations. Cybercrime e-learning has been embedded into	The Met Enterprise: Transforming Training Outline Business Case which aims to improve the quality and performance of training services has not yet been approved. Decisions are yet to be made around the tracking of training records and enhancing crime investigation skills and

		Met training. Leading for London (developing leadership and change skills to improve leadership capability) has been approved and planning is currently taking place to deliver this.	abilities of officers to investigate serious crime as well as priority and volume investigations (PIP 1).
7.	<b>Commercial &amp; Contract Controls</b>	Two contract managers will shortly be in place to begin to form a team of experts across Commercial Services. Further recruitment is taking place. Key processes and standards have been developed and are in the process of being rolled out or awaiting approval accordingly.	Although closure is imminently due for all areas of activity for this improvement area, the effectiveness of these controls will only be evidenced throughout 2017/18 and beyond.
8.	<b>Strategic Partnerships</b>	This area continues to exist without a working lead. Although there has been some activity around this (alongside the forthcoming appointment of leads for cross-agency and cross-partner working to deliver against the Police & Crime Plan and the appointment of a joint Programme Manager to oversee the Blue Light Collaboration), there remains no clear governance or formal plan to support it.	There is no clear Met lead for some strategic partnerships and activity with key partners can be fragmented.
9.	<b>Assurance Framework</b>	A corporate process to monitor audit and inspection actions from level 3 audit activity is in place. However, organisational weaknesses such as first line supervision and second line internal assurance remain. The maturity of the assurance framework is improving but requires a more formal action plan to ensure improvements are delivered.	This area remains a key corporate risk. Significant improvements need to be made through a formal action plan to ensure weaknesses across the Met at levels 1 and 2 of the framework are recognised and acted on to prevent failings in internal controls and ensure learning .
10.	<b>Community Engagement &amp; Public Access</b>	A Community Engagement Strategy was published in July 2016 and a 12 month plan has been created. It is not wholly clear how this has been socialised or embedded into core policing or how outcomes are being evaluated. Application of the Met's established confidence model is patchy with little targeted analysis of cause and effect.  The Public Access & First Contact Strategic Outline Case (delivering a comprehensive approach to	There needs to be a clearer relationship between the Community Engagement Strategy and the business. A revised application of the Confidence Model, exploring six underlying drivers, will be introduced and needs to be evaluated.  The Met's new website goes live in March 2017. The website includes Local Life pages as a platform for community engagement with targeted crime

		<p>managing public engagement) has been approved. Outline business cases are currently being developed for the underpinning projects. The internet platform replacement is on track for delivery by March 2017. Digital trials (Digital 101 and self-service) have taken place and are being evaluated to inform the next stages.</p>	<p>prevention advice based on local crime data.</p> <p>A further programme of work to provide enhanced services is planned including an app and a live chat facility for the public contacting Met CC. DMC will support the new Commissioner with external and internal stakeholders, and introduce a customer insight function to support the introduction of digital services for the public.</p>
--	--	---	---

- 3.5 Members are invited to note the progress made within the governance improvement plans over the past year and the ongoing activity required to deliver improvement in these areas.

**4. Equality and Diversity Impact**

The model of corporate governance used by the Met is based on the principles of openness; integrity; accountability and equality. The development of the corporate governance framework through areas identified for significant improvement should have a positive diversity impact by ensuring that these principles continue to inform the way in which the Met operates. All organisational programmes, including major change programmes, are subject to equality impact assessments to help identify positive or adverse impacts on individuals or groups defined within the protected characteristics of the Equality Act 2010.

**5. Financial Implications**

There are no additional financial implications arising from the actions detailed in the Met AGS. All resources utilised are within the existing Met revenue budgets. If any further funding were to be required it would be subject to the usual Met/MOPAC governance approval process

**6. Legal Implications**

There are no direct legal implications resulting from this report.

**7. Risk Implications**

The annual governance review identifies significant governance areas for improvement across the Met. These are monitored quarterly and aligned with corporate risk processes.

**8. Contact Details**

Report author: Jo Collins & Lynsey Stanger, Insight Team, Strategy & Governance. Email: [jo.collins@met.pnn.police.uk](mailto:jo.collins@met.pnn.police.uk) tel: 020 7230 2705

**9. Appendices and Background Papers**

None

