

AUDIT PANEL

Friday, 30 June 2017

MOPAC Annual Governance Statement

Report by: Chief Executive Officer, MOPAC

Report Summary

Overall Summary of the Purpose of the Report

The Annual Governance Statement (AGS) sets out how MOPAC complies with the requirements of the Police Reform and Social Responsibility Act 2011. The MOPAC governance framework will continue to be enhanced to ensure that the governance arrangements' continues to improve. The Statement complements the published MOPAC Code of Governance.

MOPAC's governance arrangements are designed to ensure that we take an appropriate and proportionate approach to managing risk. The arrangements are not designed to eliminate all risks but rather provide a reasonable degree of assurance of our effectiveness. Whilst still allowing for prioritisation of delivery of the Police and Crime Plan priorities.

Key Considerations for the Panel

The Audit panel to note the significant governance issues identified in the Statement.

Interdependencies/Cross Cutting Issues

The AGS attached at Appendix 1 arises in part from the Director of Audit, Risk and Assurance (DARA) review.

Recommendations

The Audit Panel is recommended to note the Annual Governance Statement and the governance improvement highlighted within the report to be implemented.

1. Supporting Information

- 1.1 The MOPAC AGS is attached at Appendix 1. At the Audit Panel quarterly meeting, a governance update will be provided as re-assurance that MOPAC is reviewing the effectiveness of governance arrangements including internal control and risk management systems.

Key areas are summarised below:

- 1.2 The Mayor of London's Police and Crime Plan (PCP) outlines how MOPAC should hold the Commissioner of Police of the Metropolis to account and deliver manifesto commitments and expectations. To deliver the PCP launched in March 2017, MOPAC is clear about its priorities:
- A better police service for London,
 - A better criminal justice service for London;
 - Keeping children and young people safe;
 - Tackling Violence Against Women and Girls and
 - Standing together against hatred, intolerance and extremism.
- 1.3 In addition to holding the Metropolitan Police (MPS) to account, MOPAC's wider remit as contained within the Police and Social Reform Act 2011, includes monitoring London's Criminal Justice System (CJS).
- 1.4 Oversight is carried out through a number of mechanisms and is currently being reviewed to build a stronger system with in depth management information and timely reports from the MPS.
- 1.5 There are defined roles and accountabilities, with an internal planning and performance framework to also support the delivery of the PCP.
- 1.6 An internal planning and performance framework provides an effective framework to monitor delivery of every aspect of the PCP and clearly define lines of accountability.
- 1.7 There are systems in place to review all work and business processes to ensure that MOPAC continues to operate within the statutory and regulatory requirements and ensure that decisions of the DMPC are implemented.

2. Equality and Diversity Impact

MOPAC is committed to ensuring access for all. The public are able to access information held by MOPAC under the terms of the Freedom of Information Act 2000 and the Data Protection Act 1998. Annual Financial Statements are published, alongside the Annual Governance Statement. Access to MOPAC's decisions is considered consistently across MOPAC's activities.

3. Financial Implications

Failure to implement the governance improvements highlighted may have control implications, although these would be highlighted by any subsequent audit work. Efficient and effective governance arrangements are necessary in ensuring robust financial management.

4. Legal Implications

Failure to adhere to best practice and published targets in the Mayor's manifesto in relation to Police and Crime could lead to challenge which could also lead to reputational damage.

5. Contact Details

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6. Appendices and Background Papers

Appendix 1 – Annual Governance Statement.

Appendix 1**Annual Governance Statement 2016/17****1. Introduction**

The 2016/17 **Annual Governance Statement (AGS)** is drawn up in line with the CIPFA - delivering good governance guidelines, which build on the Nolan principles. It explains the behaviours, processes and procedures in place to enable the Mayor's Office for Policing and Crime (MOPAC) to carry out its functions effectively.

This Statement sets out how MOPAC complies with the requirements of the Framework of Good Corporate Governance and provides assurance that governance is being managed through a number of internal mechanisms. The MOPAC governance framework remains dynamic and subject to continuous improvement and complements the MOPAC Code of Governance.

2016/17 was, for MOPAC, a transitional year that changed mayoralities and therefore much of its strategic direction, as set out in last year's AGS. The new Police and Crime Plan (PCP) was published in March 2017 and both the business plan and governance arrangements are being aligned to this. This will ensure that the appropriate oversight is exercised in all key areas of business, both in terms of effectively discharging statutory and regulatory requirements including those in the 2011 Act and in meeting the requirements of the PCP. There is no complacency, as all areas will continue to be monitored and evaluated to ensure they remain fit for purpose.

In 2015/16, MOPAC worked on a re-vamped and refreshed governance model, which is now in implementation stage. This new model was developed cross-departmentally to reflect the changing needs of the organisation.

By applying the principles in our Code of Governance, we commit to delivering services to Londoners in a way that demonstrates accountability, transparency, effectiveness, integrity, and inclusivity.

MOPAC's governance arrangements are designed to ensure that we take an appropriate and proportionate approach to managing risk. The arrangements are not designed to eliminate all risks but rather provide a reasonable degree of assurance of our effectiveness.

This statement includes an action plan to address governance issues identified.

2. Scope of Responsibilities

The business to be conducted by MOPAC is set out in the Police Reform and Social Responsibility Act 2011. The Financial Management Code of Practice requires that MOPAC, similar to other Police and Crime Commissioners' ensure that the good governance principles are embedded within the way that MOPAC operates.

MOPAC came into existence in January 2012, replacing the Metropolitan Police Authority (MPA) as the organisation responsible for overseeing policing and community safety on behalf of Londoners.

MOPAC is a corporation sole that ensures that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and

used economically, efficiently and effectively. The Mayor of London's PCP outlines how MOPAC should hold the Commissioner of Police of the Metropolis to account and deliver manifesto commitments and expectations. To deliver the PCP launched in March 2017, MOPAC is clear about its priorities;

- A better police service for London,
- A better criminal justice service for London;
- Keeping children and young people safe;
- Tackling Violence Against Women and Girls and
- Standing together against hatred, intolerance and extremism.

These objectives are supported by a business plan.

The Mayor delegates day to day running of MOPAC to the Deputy Mayor for Policing and Crime (DMPC), whose role is similar to that of an elected Police and Crime Commissioner elsewhere.

Following the launch of the PCP in March 2017, the internal governance arrangement was reviewed to ensure effective monitoring.

The Commissioner of Police of the Metropolis is an independent legal entity and also a corporation sole. The Commissioner is accountable in law to MOPAC for the delivery of efficient and effective policing, management of resources and expenditure by the Metropolitan Police Service (MPS). He or she is also responsible for delivering operational policing. The MPS has its own Annual Governance Statement supporting its own internal control and risk management framework.

The Metropolitan Police Service (MPS) operates a number of Police Act 1996 s22 collaboration arrangements, including the hosting of the National Police Chiefs' Council (NPCC). A s22 collaboration agreement enables chief officers of police and local policing bodies and other parties to make an agreement about the discharge of functions by officers and staff where it is in the interests of the efficiency or effectiveness of their own and other police force areas. MOPAC has the responsibility to approve proposed MPS/MOPAC s22 collaboration agreements. These agreements do not expose MOPAC/MPS to any additional liability.

Since the creation of MOPAC under the Police Reform and Social Responsibility Act (PRSRA) 2011 there has been a Scheme of Delegation and Consent to ensure that decisions are made at the lowest level consistent with efficient and effective decision making whilst ensuring that MOPAC, DMPC and the MPS are properly protected for the risks associated with being the individual held to account for all decisions made.

MOPAC's published Scheme of Delegation and Consent sets out approval delegations and in particular, states business cases for revenue and capital expenditure, budget virement and/or movements and sponsorship above £500,000 be delegated to the DMPC.

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.

MOPAC is required to produce an Annual Report in compliance with the Police Reform and Social Responsibility Act 2011. This is also an opportunity to report on progress in relation to activities, achievements, the financial position, performance against PCP priorities and objectives and ensure that it is communicated publicly.

The 2016/17 Annual MOPAC report will be published in summer 2017 and will be presented to a future PCC meeting.

3. Purpose of the Governance Framework

Corporate governance generally refers to the process by which organisations are directed, controlled and held to account.

The governance framework enables MOPAC to monitor the achievement of its strategic objectives. This is based on an ongoing process designed to identify and prioritise the risks to the achievement of MOPAC's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. This includes ensuring effective and efficient outcomes from our commissioned services/investment.

This Statement sets out how MOPAC complies with the requirements of the guidance on good governance in the Police and provides assurance that governance is being managed through a number of internal mechanisms. It specifies the progress MOPAC has made in developing the governance framework which contributes to having an effective internal control framework. It further ensures that statutory obligations are being met.

4. The Governance Framework

Through the Mayor, Londoners have a direct democratic link with the police, putting their priorities first and holding the MPS through the Commissioner to account and ensuring Transparency.

In 2016/17, MOPAC's governance arrangements focused on supporting the MPS and working with partners to make London a safer city, whilst putting in place systems and process which supported a transition to new mayoralty and strategic direction. Systems were in place to build the new Police and Crime Plan and ensure that when published, it was a four year deliverable plan. These elements are further detailed herewith.

MOPAC aims to focus on its purpose and outcome to create and realise a vision for Londoners by implementing the Police and Crime Plan

During the last year, MOPAC put in place temporary, specific governance in order to best manage the transition between mayoralties. This was the first time that MOPAC had undergone a mayoral transition and moved from the closing of one Police and Crime Plan to the creation and publication of a new one. The governance in place and led to the positive publication of the new PCP in March of 2017, as well as the successful completion of the previous PCP with a strong audit trail. New systems are now being implemented to reflect the needs of the new strategic direction, in terms of oversight, partnership convening and internal delivery mechanisms. To fulfil our co-commissioning responsibilities the organisation evaluates BIDS and proposals against the PCP and ensures the procurement of partners is in line with the proper finance, procurement and legal standards.

MOPAC aims to ensure officers, staff and volunteers work together to achieve a common purpose with clearly defined functions and roles

MOPAC has recruited to a full Senior Management Team and is reviewing its internal job descriptions and HR structures to be better placed to deliver the requirements of the PCP and mayoral vision. A renewed set of values have been worked through with the staff as a whole to ensure they reflect the long term objectives of MOPAC and these will be integrated throughout job descriptions and the ways of working.

MOPAC aims to promote its values and demonstrate the values of good governance through upholding high standards of conduct and behaviour

HR policy on standards of conduct and behavior are being reviewed to align better without the MOPAC Code of Governance. This action will be completed this financial year.

MOPAC aims to take informed and transparent decisions that are subject to effective scrutiny and risk management arrangements

MOPAC has a formal scheme of delegation in place, as well as a formal system of decision making that ensures that all decisions are published on the website after being signed by the DMPC. Spending over £500 is published on the website as part of the transparency agenda. MOPAC aligns the timing of decisions to ensure communication across the Mayor's Office and GLA to ensure cost effectiveness and reduced duplication. A new Corporate Risk Matrix has been created to reflect the organisational needs and implementation requirements of the PCP, and is being aligned to MPS and other partner risk systems.

MOPAC is held to account over its objectives, operations and delivery of the PCP through various Boards and Panels, which are detailed below.

Oversight Board

The Oversight Board enables the DMPC to effectively exercise the role and duties of the Police and Crime Commissioner for the Metropolis, as delegated by the Mayor of London.

The functions of the Oversight Board is to

- Scrutinise MPS delivery against the Police and Crime Plan on behalf of the Mayor, and performance against agreed priorities
- Have oversight of efficiency and effectiveness
- Undertake, at the request of the DMPC, assurance on key priorities and specific issues of concern to the public and PCP
- Approve and review the Mid-Term Financial Strategy (MTFS) in line with Mayoral priorities and
- Monitor progress, delivery and risks against the MPS Business Plan.

Justice Matters

Justice Matters is a mechanism whereby the Deputy Mayor brings London partners together in a transparent manner, to problem solve issues for London and bring accountability for those solutions by partners. The meetings are webcast and held in public on a quarterly basis.

Experts in the field are invited to explore different themes from across the spectrum. Areas that have been investigated include Tackling Sexual Violence and Offender Management in London.

Investment Advisory Board (IAB)

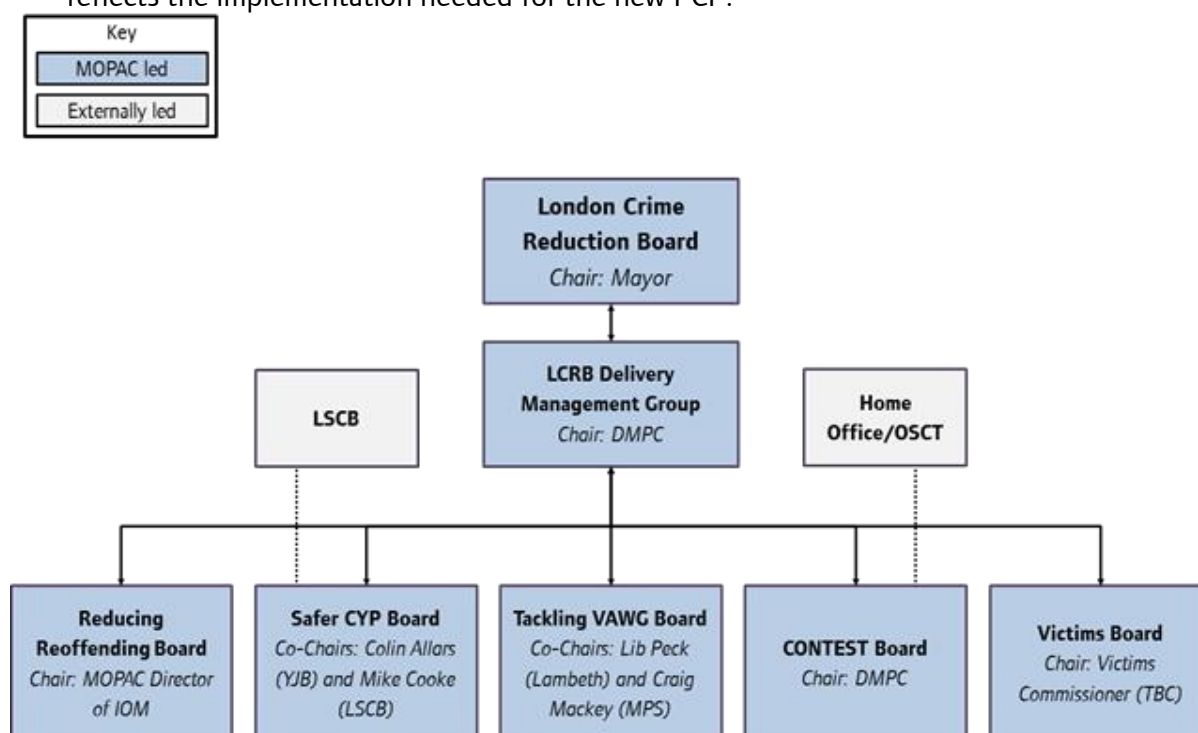
IAB is an advisory board to the DMPC, to inform decisions subsequently taken and published. It ensures that MPS investment decisions deliver the police and crime plan and are founded on a sound business case, contributing to efficiency and effectiveness of the MPS. The business case proposals supporting key investments in the MPS transformational change programme are considered at this board.

Child Protection Oversight Board

MOPAC has now established a range of new oversight mechanisms to support and oversee the MPS in their response. MOPAC and the Directorate of Audit and Assurance (DARA) have carried out extensive work with the MPS to oversee development of a wide-ranging action plan. As a key part of this detailed plan, the DMPC has established an improvement scrutiny group, which met for the first time on the 7 December 2016. The remit of this group is to ensure that the MPS respond appropriately and effectively to each of the recommendations set out by HMIC.

The London Crime Reduction Board (LCRB)

At LCRB, the Mayor, DMPC, the Commissioner, representations from across the Criminal Justice Service and London boroughs come together to agree a coordinated approach to crime reduction and community safety in London. High-level intelligence on crime and public concerns about safety is also reviewed. This board is key in utilising the Mayor's convening powers to work with a number of partners to deliver policing and crime priorities within the Police and Crime Plan for London. The structure has been reviewed and now reflects the implementation needed for the new PCP.



Bi-laterals

The Mayor routinely meets with the Commissioner and his team, including specialist operations, to discuss policing in London and to be briefed on counter terrorism.

The DMPC and the Commissioner hold regular meetings to provide in depth scrutiny of the effectiveness and efficiency of the MPS and to consider issues of importance to policing and crime reduction in London.

Informal One to Ones

On an informal basis, the DMPC meets regularly with MPS Assistant Commissioners and sometimes with the Deputy Assistant Commissioners and Commanders.

External Scrutiny

The Police Reform and Social Responsibility Act 2011 require the establishment of an ordinary Committee of the Assembly to be the Police and Crime Panel. This function is and will continue to be carried out by the Police and Crime Committee (PCC). MOPAC is scrutinised via the following avenues:

Police and Crime Committee

The London Assembly's Police and Crime Committee (PCC) is the statutory body that examines the work of MOPAC and meets twenty times a year. Ten of those meetings are used principally to hold question and answer sessions with the DMPC and Commissioner or their representative. The Committee can require the DMPC and / or staff from MOPAC to attend its meetings for the purpose of giving evidence and provide documents to it.

The Committee also investigates key issues relating to policing and crime in London as part of this scrutiny.

Mayor's Questions

The Mayor's Question Time (MQT) meetings take place ten times a year. Assembly Members as part of their role in holding the Mayor and his functional bodies to account ask the Mayor a range of questions within the remit of his role, which includes policing.

Questions which are not answered at the meeting receive written responses. A number of policing questions are asked of the Mayor during MQT.

Functional Body Question Time

At least once a year, Functional Body Question Time (FBQT) or Plenary sessions on Policing issues are held with the Mayor and the Commissioner. This forms another opportunity for Assembly Members to hold both the Mayor and the Commissioner to account and examine policing matters in London.

Budget and Performance Committee

The London Assembly's Budget and Performance Committee scrutinises the Mayor's budget for the financial year and the implications for services and council taxes in London. It also examines, monitors and reports on the budgets and performance of the GLA and Functional Bodies which includes MOPAC.

The Budget Monitoring Sub-Committee, is a Sub-Committee of the Budget and Performance Committee, which considers reports on its behalf. This mainly involves

scrutinising the quarterly monitoring reports provided by the GLA and its functional bodies including MOPAC.

Oversight Committee

The Greater London Authority (GLA) Oversight Committee is responsible for a range of matters and sometimes examines the work of MOPAC as it pertains to their terms of reference. MOPAC is also involved in key strategic multi-agency boards led by Criminal Justice (CJ) partners, where MOPAC remains an active member; there are meetings with providers to monitor grants awarded at both Borough and Regional levels. There are other meetings, including those that enable MOPAC build stakeholder relationships, internal meetings, briefing staff, National Boards that MOPAC is involved in and takes part in discussions and debates.

Corporate Investment Board (CIB)

In addition to the MOPAC governance, as part of the wider GLA corporate governance and to ensure consistency across the GLA, significant MOPAC investment decisions are also considered at the GLA Corporate Investment Board (CIB). The Deputy Mayor for Policing and Crime is a member of this board. The board is an internal forum chaired by the Mayor's Chief of Staff. Further information on and the public minutes of CIB meetings can be accessed here: <https://www.london.gov.uk/about-us/governance-and-spending/good-governance/decision-making>.

MOPAC aims to engage with the MPS and stakeholders to ensure robust accountability

The public are able to access information held by MOPAC under the terms of the Freedom of Information Act 2000 and the Data Protection Act 1998. Annual Financial Statements are published, alongside the Annual Governance Statement.

Whilst ensuring MOPAC robustly follows its own high governance standards the organisation also ensures CIPFA standards are effectively followed. MOPAC's systems and processes that comprise CIPFA's governance arrangements are as follows

Setting out clear delegation arrangements and protocols for effective communication, and arrangements for challenging and scrutinising MPS' activities

The governance framework, including the Scheme of Delegation and Consent, decision making framework and supporting financial and contract regulations, define and document the roles and responsibilities of MOPAC and MPS. All MOPAC decisions are published and available for public scrutiny.

The Published Scheme of Delegation and Consent sets out approval delegations and in particular, states business cases for revenue and capital expenditure, budget virement and or movement sponsorship above £500,000 be delegated to the DMPC.

As suggested above, the respective roles of SMT and SLT are and continue to be clearly defined and adhered to.

To support and ensure scrutiny of the MPS, the law requires MOPAC to abide by certain regulations in matters relating to statutory functions carried out by MOPAC Professional Standards they are the; Police Pensions Regulations 1987, Police (Conduct) (Amendment)

Regulations 2015 and Police Appeals Tribunals (Amendment) Rules 2015. MOPAC have developed effective plans to anticipate the changes to be enacted under the Policing and Crime Act (PCA) in relation to dealing with Police Complaints.

Developing, communicating and embedding codes of conduct, defining the standards of behaviour for the Mayor as occupant of the MOPAC and the DMPC, officers and staff

The Mayor and the DMPC are governed by the Greater London Authority (GLA) code of conduct for members.

The Chief Executive Officer (CEO) is the Monitoring Officer and Head of MOPAC staff and is bound by MOPAC staff policies, code of conduct and standards.

There is a MOPAC staff handbook in place which is currently being updated and includes a code of conduct for all staff, declaration of gifts and hospitality and staff declaration of Interest protocol.

There is a cohesive framework governing all aspects of anti-fraud and corruption activity and integrating the identification and management of fraud risk within the existing corporate risk management framework.

Ensuring compliance with relevant laws and regulations, internal policies and procedures.

MOPAC has a duty to ensure that it acts in accordance with the law. This responsibility is fulfilled through the MOPAC governance framework and compliance is reviewed at the quarterly Audit Panel Meetings. DPMC attends the Chair of Audit Panel and had regular meets with the Director of Audit, Risk and Assurance.

Professionally qualified staff occupy key roles throughout MOPAC with external advice sought as and when required.

In accordance with paragraph 3.7.4.3 of the Code of Practice on Local Authority Accounting, it is noted that MOPAC's financial management arrangements conform with the governance requirements of the CIPFA *Statement on the Role of the Chief Financial Officer in Local Government* (2010) as set out in the Application Note to *Delivering Good Governance in Local Government Framework*.

There is a comprehensive list of statutory requirements which is monitored. All MOPAC decisions consider the legal and risk implications amongst other implications and are published in compliance with the Elected Local Policing Bodies Orders 2011 and 2012 relating to transparency – satisfying the specified order.

The Director of Audit Risk and Assurance reports on the effectiveness of MOPAC's systems of internal controls, making recommendations for improvement where appropriate. In March 2017, a follow up review was carried out on MOPAC's Statutory Compliance Framework. The review noted that there had been improvement in the overall control framework relating to the Statutory Compliance Framework and that all the agreed actions had been addressed.

Whistleblowing, receiving complaints from the public and handling citizen and other redress

MOPAC is committed to dealing with all correspondence and complaints fairly, comprehensively, and in a timely manner.

As published, complaints made about MOPAC staff are to be sent to the Chief Executive Officer (CEO) who will allocate as required. Complaints against the CEO are to be sent to the Deputy Mayor for Policing and Crime.

MOPAC has a whistleblowing policy for its staff and DARA is one of the contact points for reporting wrongdoing within both MOPAC and the MPS.

MOPAC is also responsible for considering complaints made against the Commissioner.

Complaints made about the Mayor as occupant of MOPAC or the DMPC, are the responsibility of the London Assembly's Police and Crime Committee (PCC) in accordance with the Elected Local Policing Bodies Order 2012. The London Assembly's PCC have delegated this responsibility to the Monitoring Officer at the GLA, unless where it is a conduct matter or serious complaint in which case it gets referred to the IPCC.

5. Independent Panels

5.1 Audit Panel

In line with the Home Office Financial Management Code of Practice established to support the implementation of the Police Reform and Social Responsibility Act 2011, a joint MOPAC/MPS Audit Panel, performing the functionality of an Audit Committee, was established.

The Audit Panel is responsible for enhancing public trust and confidence in MOPAC and the MPS. It also assists MOPAC in discharging its statutory responsibility to hold the MPS to account. It advises MOPAC and the MPS Commissioner according to good governance principles and provides independent assurance on the adequacy and effectiveness of MOPAC and the MPS internal control environments and risk management frameworks.

The Audit Panel was recently re-constituted and held its first meeting on 31 March 2017. It will receive regular reports at its quarterly Meeting, including MOPAC governance and risk matters and the respective improvement plans. This ensures that there is continuous improvement with the Panel endorsing the resulting action plans.

MOPAC has responsibility for conducting regular reviews of the effectiveness of the governance framework, including the system of internal audit and the system of internal control.

The review is continuous with a programme of reviews of governance policies to ensure they meet the demands and needs of MOPAC. DARA provides assurance on the effectiveness of the MOPAC governance framework and highlight areas for improvement which are reported to senior management. Internal reviews tend to include research into best practice, update of the framework and provision or update of policies

and procedures. Changes are subject of a decision and will be published. The effectiveness of the framework is also reviewed in drawing up the AGS.

5.2 Ethics Panel

The work of the London Policing Ethics Panel (LPEP) has been on hold during the majority of the past financial year. This was due to the terms of office of the previous membership ending at the same time as the last mayoralty. Recruitment has commenced for the new membership of LPEP and this will be in place to support and research the ethical issues going forward for London.

LPEP is an advisory panel that is independent of the mayoralty, defines its own work plan and publishes its own findings, that are then sent to the Mayor, Deputy Mayor for Policing And Crime and Commissioner of the MPS.

5.3 Victims Commissioner

In January 2017, it was announced that recruitment is now underway for London's first independent Victims' Commissioner. The Victims' Commissioner will stand up for survivors of crime across the capital, making sure their voice is heard and that their needs are at the heart of our policing and criminal services. The new Victim's Commissioner will report directly to the DPMC and will play a significant role in stakeholder engagement and oversee the delivery and performance of MOPAC's Victims commissioning service. The Victims Commissioner is expected to begin at MOPAC in Q1 of 2017/18 and will

6. Reviewing the Effectiveness of MOPAC's governance arrangements

The governance arrangements for MOPAC are developed in line with the 2011 Police Reform and Social Responsibility Act, Statutory Policing Protocol, Home Office Financial Management Code of Practice and existing guidance on financial and governance regulations. The PCP, Code of Governance, and the Scheme of Delegation and Consent continues to reflect the governance arrangements and ensure that MOPAC remains fit for purpose.

There are defined lines of accountability, roles and responsibilities. The reporting mechanisms have been made clearer between the respective MOPAC boards and management meetings through the Scheme of Delegation and Consent and respective terms of reference.

MOPAC Directorate of Audit, Risk and Assurance (DARA) provide the internal audit service for MOPAC and the MPS. DARA is an independent source of assurance, reviewing all areas of MOPAC and MPS business, ensuring best use is made of funds and resources, and that key risks to the delivery of policing priorities and objectives.

Alongside this, ongoing reviews of oversight have taken place throughout the year. MOPAC oversight systems are now further aligned and supported by analytical products, financial analysis and risk management systems that are connected and offer dynamic risk and assurance mechanisms.

7. Planning and Performance Framework

An internal planning and performance framework was put in place to support the delivery of the PCP. It provides an effective framework to monitor delivery of every aspect of the PCP and clearly defined lines of accountability.

- The internal panels and meetings were instituted to ensure that MOPAC was discharging its duty of providing oversight to the MPS; it ensured that internal governance arrangements were embedded and that there was compliance to statutory and regulatory requirements for MOPAC.
- The DMPC fulfilled the accountability role through a number of mechanisms including formal and informal meetings with Senior Police Officers, staff and senior stakeholders, including Criminal Justice colleagues and Ministers.
- The Chief Executive Officer (CEO), who is also the Head of Paid Service and the Monitoring Officer for MOPAC, takes formal decisions in line with the Scheme of Delegation and Consent.
- The CEO and Directors otherwise known as the Senior Management Team (SMT) meet on a regular basis. They are charged with overseeing the strategic and operational management of MOPAC as delegated by the DMPC and to drive the implementation of the PCP and the Mayor's priorities. Each Director leads on specific work areas and holds regular meetings with senior MPS officers and internal meetings within their directorates to drive forward delivery of strategic and operational objectives.
- Heads of Service also meet regularly and are responsible for the leadership, strategy and delivery of the priorities as defined within the PCP. It gained assurance on delivery of work streams and programmes that delivered the PCP; ensured the delivery of the Business Plan and effective management of its inherent risks and budget and the overall day to day running of MOPAC including compliance with relevant legislation. It will continue to ensure that roles and responsibilities across directorates do not overlap and that accountabilities, roles and responsibilities for meeting statutory and regulatory requirements are defined and met.
- Business Planning meetings are held with Team Managers by the Strategy & Corporate Planning Team to review progress against the business plan and ensure full compliance with transparency requirements.
- Directorate and Team meetings are held across MOPAC to ensure that there are bottom up and top down approaches. In 2016/17, part of the role of the meetings was to ensure that individual roles and responsibilities were linked to the business plan to ensure delivery of the Police and Crime Plan and that accountabilities, roles and responsibilities for meeting statutory and regulatory requirements were clear to all.
- MOPAC's risk management framework supports effective decision making and provides assurance that risk is managed effectively at all levels in MOPAC. The Framework is embedded in the business planning and corporate strategy process. The Senior Leadership Team will continue to monitor the management of risk within its role and responsibilities. Risks and opportunities are identified in Team plans and cascaded to individuals' performance development reviews.

8. Significant governance issues

During 2016/17 the review of the directorate governance arrangements identified no significant governance issues.

A DARA review of the regulatory framework supporting effective governance highlighted the following areas for improvement. These will further enhance MOPAC's governance arrangements, and are identified below, together with on-going actions which will be monitored by the Audit Panel.

No	Issue	Action planned
1	Formal code of conduct	<p>MOPAC will develop a formal code of conduct in line with the principles of good governance. It will also review and update the staff handbook to reflect this.</p> <p>Compliance with the code of conduct will be reviewed as part of the staff appraisal process.</p>
2.	Conveying MOPAC governance arrangements	<p>Training on corporate governance covering key issues such as the code of conduct, decision making and financial regulations will be reviewed at SLT meetings.</p> <p>All policies and procedures referred to in the staff handbook will be reviewed to ensure they are up to date and in line with legislation.</p>
3.	Failure to communicate business continuity planning	<p>Business continuity planning will be included in the staff handbook and communicated to staff.</p> <p>The business continuity plan is included in the business plan and will be tested annually to ensure it is operating effectively.</p>
4	Review and update the Finance and	The Financial Regulations and Contract regulations to be updated and presented to

No	Issue	Action planned
	Contract Regulations	the Audit Panel to enable effective accountability.
5	Data processing agreement between MOPAC and the MPS is not up to date	MOPAC will review all agreements that are in place with the MPS and its partners to ensure that they are up to date and comply with current legislation.
6.	The disciplinary policy	The disciplinary policy will be reviewed to ensure they are up to date and in line with current legislation.

It is proposed that over the coming year, MOPAC will take steps to further enhance our governance arrangements and ensure that MOPAC's governance continues to improve. These additional governance initiatives will include:

- Embedding the revised business planning and risk management approach.
- Taking forward work in aligning the identification and management of MOPAC and MPS risks to the delivery of the PCP.
- Review and enhancing the end to end decision making framework across MOPAC and the MPS.
- Further enhancement of financial oversight continuing with an increased focus on the scrutiny of the MPS transformational programme of change and the realisation of associated savings and benefits.
- Enhancing our commissioning framework and expertise.
- Strengthening stakeholder engagement planning and implementation.

A new corporate strategy will also be developed which will enhance business planning and governance through better interlinking MOPAC's core roles of Oversight, Convening and Delivery.

In consideration of the upcoming DARA audit opinion (due June 2017) and the Grant Thornton LLP audit actions (due July 2017) these improvement areas remain subject to the development of detailed plans prior to publication of the audited AGS 2016/17 and Statement of Accounts in July 2017, with a schedule of periodic review and reporting through 2017/18.

We are satisfied that the steps set out above have addressed the need for improvements that were identified in the review of effectiveness. We will continue to monitor their implementation and operation during the year and as part of our next annual review.