

## AUDIT PANEL

### Friday, 31 March 2017

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## MOPAC Risk Management Report

Report by: Director of Strategy (Acting)

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### 1. Report Summary

- 1.1 This report summarises how MOPAC manages the risks that it faces. A particular focus has been around risks associated with delivery of the Police and Crime Plan, but also those that face MOPAC as an organisation. MOPAC SMT recently reviewed its corporate risks and this report reflects their assessment.
- 1.2 On 20 March 2017, MOPAC published Mayor's Police and Crime Plan for London. This covers the next four years of delivery until 2021.
- 1.3 The risk management process is aligned with business planning and performance management with clear governance arrangements in place through internal board meetings and MOPAC/MPS Oversight Board, where shared risks were reviewed and mitigations agreed.

### 2. Recommendations

The Audit Panel is recommended to note the MOPAC risk management update and the progress made to date.

### 3. Supporting Information

- 3.1 MOPAC continues to review its strategic risks through the joint Oversight Board meetings between the Deputy Mayor for Policing and Crime and the MPS Commissioner. In support of this oversight method, officers from MOPAC and the MPS meet regularly to raise concerns and discuss dynamic risks and issues which are escalated as appropriate through the existing meetings in place between the two organisations.
- 3.2 Risk radar from MPS is shared regularly and fed in to by MOPAC, strategic risks are considered at Oversight Board. This latter uses a new performance pack requested by the DMPC, with risks as a standing agenda item.
- 3.3 On the 13th March, the Board reviewed shared risks identified in the delivery of the new Police and Crime Plan. The Board discussed how the One Met Model programme is linked to the police and crime plan and whether the MPS has sufficient capacity and skills to deliver. This discussion was the starting

point to identify the risks associated with the police and crime plan and successful delivery of its priorities. In addition to the tabled paper on shared risks, the Board identified a future risk around the conclusion of reviews (c2018/19) looking at historic crimes and the need to mitigate in advance, ensuring the MPS has a sufficient evidence base to support.

- 3.4 Further work is to be done, once the MPS has refreshed its corporate risk register, to identify inter-dependent risks between MOPAC and the MPS. It is important to identify how changes to MPS risk could impact on the delivery of MOPAC risks and vice versa. Officers from both organisations will continue to work together to ensure that both risk registers represent the strategic risks in delivery of the Mayor's priorities.
- 3.5 MOPAC SMT conducted an annual review of its corporate risks in February 2017. The review identified strategic risks and causes and noted control measures already in place to manage the impact. The strategy team has provided a scoring assessment based on established criteria which looks at the impact and likelihood of a risk occurring.
- 3.6 As a result of this, a set of MOPAC strategic risks has been established. This will be continuously monitored and reviewed by SMT, providing management action to make the most impact to manage these strategic risks.
- 3.7 MOPAC has identified two risks as red, where the risk level is of concern. Details are set out in Appendix A and below.

**Risk 4 – Increase in Knife Crime**

- 3.8 The risk to MOPAC of an increase in knife crime is seen as a strategic risk that would not only directly affect the public and their confidence in the police but would have a reputational risk to the Mayor and Deputy Mayor from not delivering on their pledge to tackle this violent crime that has such a devastating impact. The Mayor has committed to develop and implement a new knife crime strategy. The risk is that knife crime goes up regardless and the policies implemented have little effect on those involved.
- 3.9 Work has already started with the community to identify the route causes of knife crime. The DMPC held a Knife Crime summit in October 2016 and more recently spoke with schools children, rap artists and members of the community at a Big Talk knife crime event about ways to tackle knife crime in the capital. There is much more work to be done in this area, and it is right that SMT raised this as a significant risk and give it the appropriate resource and action it requires.

**Risk 9 – Lack of fair funding deal for London**

- 3.10 This risk has shared consequences for both MOPAC and the MPS. There is a real risk that the Police Grant will reduce as a direct result of the Home Office's new funding formula. The amount of funding London receives for national policing from the NICC is also consistently below the level required to meet the costs that the MPS incur. This poses a real risk to London and the ability for the Mayor to deliver his top priority for a safe and secure London.

- 3.11 Continued political lobbying from both organisations and close working between MOPAC and the MPS to ensure that a consistent case is made for the London to receive appropriate funding for National, International and Capital City Policing is in place. Meetings have been held with the Home Secretary, the Home Office and the Policing Minister. Discussions with GLA re additional funding to support the budget are also being had.
- 3.12 The Deputy Mayor also ensures close financial monitoring of how the MPS spends the policing budget through a series of Investment Advisory Boards and Budget Scrutiny meetings. Opportunities for efficiency savings are sought to ensure that the service is run efficiently and effectively.
- 3.13 Work will continue to develop to mitigate against the remaining risks. It is hoped that once the Police and Crime Plan is in place and work programmes are established that associated controls will take effect and reduce the likelihood and impact of the top risks.
- 4. **Equality and Diversity Impact**  
MOPAC consider risk on a Unit and Strategic 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 mitigations identified recognise that equality, diversity, and community engagement should be treated as strategic priorities.
- 5. **Financial Implications**  
The MOPAC risk management framework will contribute towards the management of MOPAC budgets and ensure that financial pressures are responded to effectively.
- 6. **Legal Implications**  
There are no direct legal implications arising from this report.
- 7. **Contact Details**  
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- 8. **Appendices and Background Papers**  
**Appendix A - MOPAC Corporate Risk heat map**



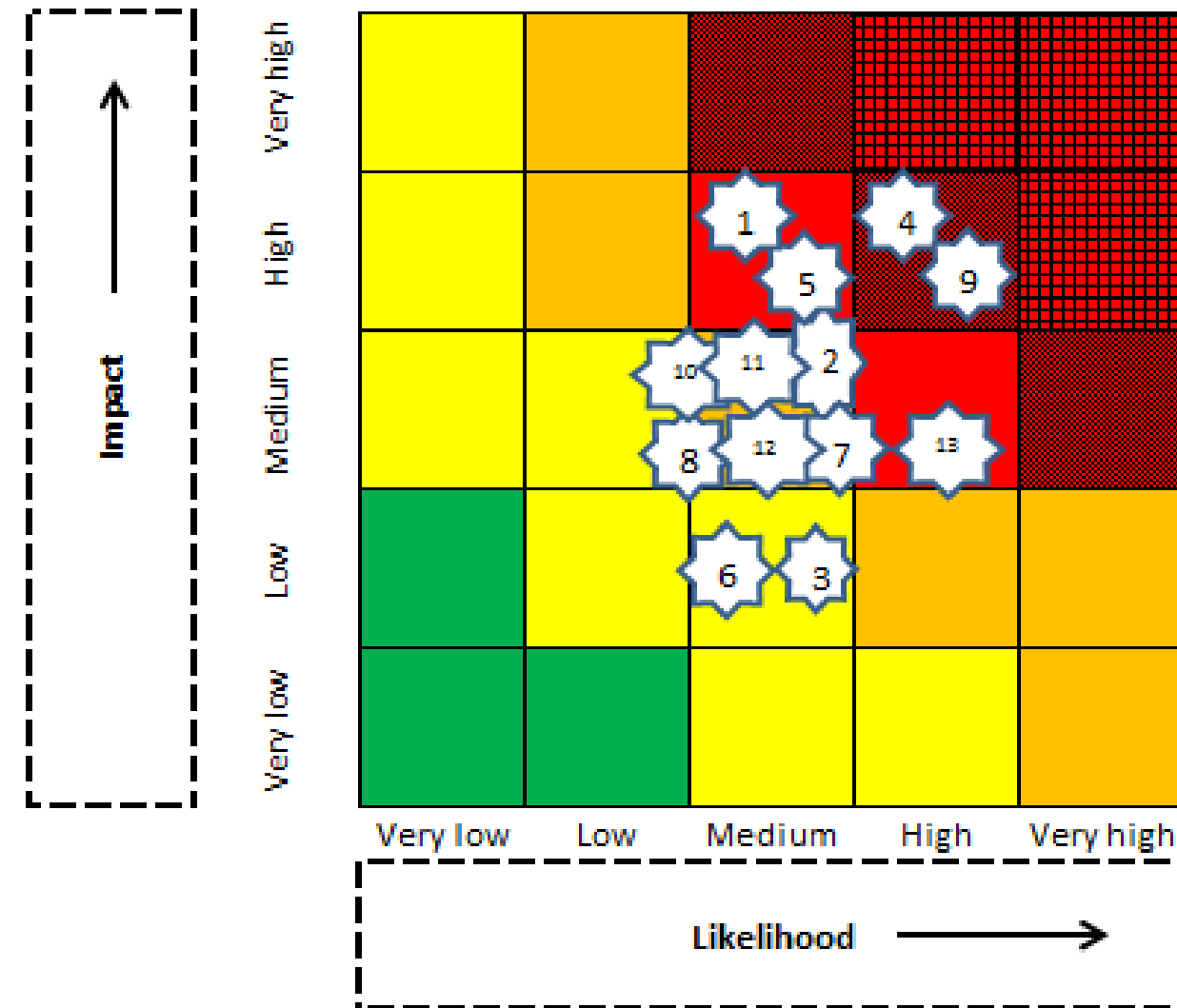
## MOPAC Corporate Risk

# MOPAC

MAYOR OF LONDON  
OFFICE FOR POLICING AND CRIME

Appendix 1

	Risk	Description	Risk score
1	<b>Impact of MOPAC not resulting in a 'Safer and more Secure London'</b>	There are many factors affecting the crime rate in London and nationwide. MOPAC has limited control over this, and whilst setting local priorities for each borough is in part mitigation for this, the risk is wider than this.	12
2	<b>Failure of MPS Transformation programme</b>	The point at which the Mayor/Deputy Mayor came into the process makes it harder to embed Mayoral priorities into the OMM and ensure effective delivery.	9
3	<b>Impact of drugs on reoffending and relationship with Health</b>	The impact of drugs on reoffending and the balance between health services over police services needs to be addressed. The approach to offender management in London is currently not effective.	6
4	<b>Increase of Knife crime</b>	No new solutions to knife crime on the table. The risk is that a new strategy will be delivered with little impact on the root cause of the problem, and delivering no positive outcomes. Knife crime will continue to increase.	16
5	<b>Lack of improvement in HMIC/Safeguarding</b>	MOPAC has a strategic responsibility for CSE. The key is partnership working and a lack of buy-in is a risk to delivery.	12
6	<b>Insufficient reflection of equalities and diversity through MOPAC's work.</b>	There is an inability within MOPAC to confidently talk about hate crime. A clearer message needs to be derived and greater influence of MOPAC and the MPS over partners/community that the commitments set out in the PCP will deliver results.	6
7	<b>Lack of direct engagement with communities in London</b>	Numerous mechanisms are in place to engage with communities. The risk is that the same people are engaged with time and time again and the community's 'voice' is not reflected.	9
8	<b>Complexity of the Police and Crime Plan making it harder to concisely define vision for London.</b>	A broad set of priorities may lead to a lack of focus and make messaging to MPS staff difficult. This may impact on the MPS's ability to deliver the same high-level of service elsewhere in the organisation.	9
9	<b>Lack of fair funding deal for London.</b>	Police Grant and NICC funding not sufficient for London to provide policing service to deliver Mayor's main priority for a safe and secure London.	16



		Budget cuts at Local Authority level will impact on ability/willingness for co-commissioning of key services across London.	
10	<b>Insufficient delivery and oversight to meet objectives</b>	A broad set of priorities may lead to complex oversight mechanisms established and diluted focus on key priority areas.	9
11	<b>Insufficient capacity and capability to deliver as an organisation</b>	MOPAC has a new senior management team and lost key senior roles. There is a risk that MOPAC does not have the right skills to deliver the PCP.	9
12	<b>Unstable national/international context</b>	The impact of a changing political landscape can result in new policies for policing which brings with it risks in delivering for London.	9
13	<b>Unplanned risks</b>	Major disaster in London which could have drastic impact on crime levels, confidence in the police, reputation of Mayor/MOPAC.	12

#### Criteria for Risk Impact

Impact	Score	Impact Categories			
		<b>Cost Decrease in revenue/increase in cost in financial year.</b>	<b>Time Delay to achievement of key milestone.</b>	<b>Public Perception Reduction of Public Confidence in Police Service.</b>	<b>Reputation Level or type of media coverage/impact on relationship with stakeholders.</b>
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.

#### 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.