

MOPAC

MAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

MPS-MOPAC JOINT AUDIT PANEL

5 July 2021

MOPAC and MPS Internal Audit Annual Report 2020/21

Report by: The Director of Audit, Risk and Assurance

Report Summary

Overall Summary of the Purpose of the Report

The attached report contains the internal audit annual opinion on the adequacy and effectiveness of the internal control environment for the Mayor's Office for Policing and Crime (MOPAC) and the Metropolitan Police Service (MPS). It also summarises the activities and performance of the Directorate of Audit, Risk and Assurance.

Key Considerations for the Panel

- Annual opinion for MOPAC is that; '*MOPAC has an adequate internal control environment, which is generally operating effectively.*' Further improvements are planned under the MOPAC Change Programme.
- Annual opinion for the MPS is that; '*The MPS has established an adequate internal control environment with its overall effectiveness continuing to improve.*' Key areas to improve include; increasing risk maturity across the Met, implementing a more cohesive approach to assurance provision, and embedding recent/planned governance improvements.
- Key areas of development and progress are reflected in the Annual Report with further areas of improvement for MOPAC referenced on p7 and for the MPS p19 for MPS). Key points are summarised in this report.
- There were no impairments to DARA independence and full compliance with auditing standards. DARA were able to achieve 90% completion of the plan in support of the annual opinion. Productivity was impacted by the pandemic, achieving 80% against 82% planned. Client feedback exceeded targets, timeliness in commencing reviews and issuing of final reports, are areas for further improvement.

Interdependencies/Cross Cutting Issues

Key areas of improvement identified in the Internal Audit Annual Report are addressed in the Annual Governance Statements for MOPAC and the MPS.

Recommendations

The Audit Panel is recommended to:

Consider the Internal Audit Annual Report of the Director of Audit, Risk and Assurance and note the annual opinion on the adequacy and effectiveness of the MOPAC and MPS internal control environments.

1. Supporting Information

- 1.1 The annual opinion on the adequacy and effectiveness of the MOPAC and MPS internal control environments is based on an assessment of the systems of governance, including risk management and of the internal control framework. Key points in the Annual Report include the following.

MOPAC Internal Control Environment

- 1.2 The Director of Audit, Risk and Assurance has concluded that, *“MOPAC has an adequate internal control environment, which is generally operating effectively”*. Further planned improvements are being taken forward as part of the MOPAC Change Programme, aligned with the Governance Improvement Plan.
- 1.3 MOPAC has an established corporate governance framework with the introduction of a MOPAC Board a key development, which brought a more structured focus to the management of core business.
- 1.4 MOPAC Board, in conjunction with its Senior Leadership Team and staff refreshed its overall Vision and Mission. This was supported by an organisational restructure and Change Programme, chaired by the Chief Executive with each strand sponsored by a Board member. The Chief Executive made new permanent appointments to the MOPAC Board with a new CFO and Director of Corporate Services, Director of Strategy and MPS Oversight and Director of Commissioning and Partnerships taking up post. Issues relating to capacity and capability were addressed by the organisational restructure in April 2021.
- 1.5 MOPAC key strategic roles in exercising oversight and convening and delivering activity, in support of the PCP and in meeting statutory responsibilities became further embedded. This was supported by a business planning and programme management framework, which continued to develop and improve. Lessons learnt in managing current PCP commitments are informing the development of the next PCP and supporting framework. A revised programme management approach is also being designed supported by a dedicated expert resource.
- 1.6 A significant development during the year was the publication of the Mayor’s Action Plan in November 2020 with the aim to improve trust and confidence in the MPS and to address community concerns relating to disproportionality in the use of certain police powers affecting Black Londoners. Delivery is overseen by a number of inter-related mechanisms within both MOPAC and the MPS. Communities play a significant part in oversight via a series of Public Review engagement meetings with stakeholders and community representatives, providing an update on work to deliver the plan.
- 1.7 Oversight Board continued to meet and the increased level of oversight with performance and risk reporting to the DMPC continued. Further work was also undertaken to integrate financial information and report performance outputs and outcomes to key stakeholders with improved reporting during the year.
- 1.8 The need for a more cohesive approach to both operational and performance oversight was addressed as part of the MOPAC restructure and is a key priority

within the MOPAC Change Programme. This enables a more systematic approach to identify emerging issues and ensure scrutiny and forward planning are focused on key PCP priorities, whilst ensuring statutory responsibilities are met. Key accountabilities and roles and responsibilities for oversight were also clarified as part of the MOPAC restructure.

- 1.9 Implementation of the structure for the Directorate of Corporate Services will enhance financial oversight, supporting increased focus on scrutiny of MPS transformation and associated business case proposals, and the internal management of the MOPAC budget building on progress made during the year.
- 1.10 The Governance and Risk Working Group provided oversight of the identification and management of risks and a refresh of the risk register. The integration of risk management in the business planning and programme management framework helps to provide assurance that PCP objectives and statutory requirements are met. Planned greater integration between operational oversight and risk management will provide further assurance on management of strategic risks.
- 1.11 Monthly Investment and Monitoring Advisory Meetings ensured investment decisions were aligned to the PCP and founded on a sound business case. All subsequent DMPC decisions were recorded in the public domain. Further work was undertaken to align MOPAC and Met governance arrangements supporting decision making. A revised assurance framework has been developed but has not yet gone live. Internally, MOPAC is taking further steps to streamline and better align decision-making processes to core business activity.
- 1.12 The commissioning framework improved with the standardisation of procurement guidance and documentation and action taken to improve procurement expertise across MOPAC. Improved financial information and analysis facilitated more effective budget and contract management. Further work was undertaken to enhance the reporting of commissioning outcomes with additional work planned for the coming year. Considerable work also supported the upskilling of staff working in the commissioning area across MOPAC.
- 1.13 Working groups led by MOPAC staff enhanced key processes, providing opportunity for staff to influence the development and culture of the organisation. This was supported by external consultancy and a refreshed Equality, Diversity and Inclusion Strategy and Action Plan and comprehensive training programme. Further work is being undertaken to complete the review of HR policies and procedures and the learning and development framework.
- 1.14 Action to further improve effectiveness of internal control environment includes;
 - Oversight – embedding the revised strategic oversight model
 - Embedding revised Programme Management model
 - Risk Management – further integrating with key processes across MOPAC
 - Decision Making - implementing revised decision making model
 - Workforce – completing review of HR policies and embed EDI Strategy.
 - Commissioning – further reporting on outcomes and embedding standardised and improved professional best practice, including the VRU.

MPS Internal Control Environment

- 1.15 The Director of Audit, Risk and Assurance annual opinion is; *'The MPS has established an adequate internal control environment with its overall effectiveness continuing to improve'*. Key areas to improve include; increasing risk maturity across the Met, implementing a more cohesive approach to assurance provision, and embedding recent/planned governance improvements.
- 1.16 Met Direction for 2025 defines the MPS's long-term operational priorities and provides a vision of the MPS in terms of key features, capabilities and behaviours that the organisation wants, and will need to deliver its strategic aims. This is supported by a revised performance management framework established and overseen by the Performance Management Group (PMG), Chaired by the Deputy Commissioner.
- 1.17 A DARA review of risk maturity found there is a defined MPS risk management framework that has been designed in line with a recognised maturity model, which includes defined accountability, roles, and responsibilities. Overall, the review concluded, however, the MPS has a mixed level of risk maturity, which can be categorised as level 3 (working) at the lower end of the scale. There is a need for greater consistency at Business Group and at operational level, with a focus on risk awareness, ownership and effective risk treatment.
- 1.18 There have been a number of positive developments in assurance provision there does remain a need to ensure clear alignment to the wider risk and performance frameworks across the 'Three Lines of Defence' model adopted by the MPS. Determining the corporate need and identifying all sources of assurance and ensuring they operate cohesively to support effective risk management and inform decision making will strengthen the overall internal control environment.
- 1.19 Work is on-going to implement and embed the Met's Organisational Learning and Research function established within the CPIC. Implementation is focused on embedding the OL framework, systemising information, learning from high harm/risk (gold groups) and promoting culture, which also needs to better inform assurance provision.
- 1.20 The review of PIB governance and assurance concluded during the year with the introduction of the PIBL2 in the autumn of 2020. The aim is to simplify, improve and strengthen the process for providing PIB and Management Board with consistent levels of assurance prior to decision making, particularly on investment cases. A revised assurance framework has been developed. This addressed the need for greater clarity of accountabilities, roles and responsibilities for decision making and more effective assurance provision.
- 1.21 Transformation portfolio risks are aligned to strategic objectives and regularly reviewed and escalated as appropriate and the benefits realisation framework has continued to improve. Further work is underway to increase the rigour in tracking and reporting on non-cashable benefits with greater alignment to Met

Direction. A corporate approach to support benefits management for projects and programmes outside of Transformation is also being developed.

- 1.22 Previous DARA reviews showed varying approaches to managing change were creating inconsistency and differing standards and in some areas this led to concerns with non-compliance with due process. There was also a need for greater clarity and understanding of the governance and oversight arrangements for major programmes and change activity outside of the Transformation portfolio. This is being addressed in implementing the recommendations of an external review of how the Met manages change. As part of this, specific pieces of work have also focused on reviewing Board terms of reference, strengthening and clarifying the role of CPIC and Heads of Profession, ensuring wider access to project and change management, reviewing resourcing models and embedding change within business planning. These are significant developments.
- 1.23 DARA reviews of the key financial systems were generally rated as adequate with improvements reported in the overtime and budgetary control frameworks, although further improvement is planned. Work continues in addressing issues with the overpayments system.
- 1.24 Significant work has been undertaken to develop and improve the commercial framework under a new three-year Commercial Functional Strategy, which is in its first year of implementation. The Commercial Blueprint, a new target operating model, was introduced in year supported by a new IT system. Further action is needed and planned to sustain improvements made and achieve commercial strategic objectives. Continuing to increase skills and capacity and embedding revised business processes with a focus on compliance, will be key to building on the success of the progress made to date.
- 1.25 The governance of Information Management and Data Quality continues to be a priority area for improvement in the Met's AGS, which is reflected in DARA work undertaken during the year. Data Governance has improved, overseen by the Data Board and by Data Talent and Analytics Strategies with previous ICO enforcement notices being lifted. Implementation of CONNECT remains key as is the need to educate, change behaviours and instil the principle of right first time and personal responsibility for data and completion of the IAR. There is also a need to improve metrics, KPIs and data reporting standards and controls over the processing of paper files. Delays in the implementation of CONNECT are impacting on the planned improvements.
- 1.26 The outcomes of DARA review activity continue to demonstrate the need for effective training identification, delivery and evaluation. A number of operational reviews also highlighted the need to better understand and define demand to more effectively support the allocation and deployment of resources. Both are recognised as areas of improvement in the Met's AGS and are being taken forward as part of the transformation portfolio.
- 1.22 Met Cyber Security is supported by a Strategy developed in line with best practice and approved policy, procedures and guidance. A corporate wide assessment of the cyber risk is to be conducted and considered by Data Board.

Action was taken to improve the oversight and governance of Smarter Working asset management, Physical Building Security and Business Continuity.

- 1.23 The outcomes of DARA activity are summarised in **Appendix 2** to the Annual report. The overall position on the number of reviews rated as limited has also notably improved, particularly at the time of follow up. **Appendix 1** highlights key issues arising from reviews. The key factors that will improve the MPS internal control environment are summarised above and in the Annual Report (p19), and feature in the MPS AGS.

Directorate of Audit, Risk and Assurance Activity and Performance

- 1.24 There were no impairments to audit independence and objectivity during the year and on-going quality assurance activity continued. DARA were able to complete 90% of the risk and assurance review programme to report stage. Audit productivity was 80% against the 82% target, predominantly due to an increased level of corporate training (10% against 8% planned).
- 1.25 Audit time was spent broadly as planned, although more time was spent on advisory work due to significant changes taking place, and customer satisfaction scores exceeded targets.

2. Equality and Diversity Impact

The MOPAC and MPS commitment diversity and Inclusion are considered in all activities carried out by DARA. Specific work has been carried out in supporting the development of the Met's Diversity and Inclusion Framework.

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 management actions 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
Email: julie.norgrove@mopac.london.gov.uk

7. Appendices and Background Papers

Appendix – MOPAC and MPS Draft Internal Audit Annual Report 2020/21

M O P A C

MAYOR OF LONDON
OFFICE FOR POLICING AND CRIME



Item 4 Appendix 1

MOPAC and MPS Internal Audit Draft Annual Report 2020/21

Internal Audit Annual Report 2020/21

| | Page |
|---|-------------|
| Annual Assurance | 1 |
| Internal Control Environment | 2 |
| MOPAC Internal Control Environment | 2 |
| MPS Internal Control Environment | 8 |
| Internal Control Framework | 20 |
| DARA Strategic Approach and Performance | 23 |
| Appendix 1 Key Themes Arising from Review Activity | 27 |
| Appendix 2 Outcomes of DARA Activity | 28 |
| Appendix 3 Assurance Criteria | 35 |
| Glossary of Terms | 36 |

Annual Assurance

Introduction

This report contains the Director of Audit, Risk and Assurance, annual opinion on the adequacy and effectiveness of the Mayor's Office for Policing and Crime (MOPAC) and the Metropolitan Police Service (MPS) internal control environments. It also summarises the activities and performance of the Directorate of Audit, Risk and Assurance (DARA) during the year to support that opinion.

The MPS and MOPAC each have audited body status and, therefore, a statutory responsibility to maintain an effective system of internal control. The Director of Audit, Risk and Assurance, as Head of Internal Audit for both organisations, is required to give an opinion on the adequacy and effectiveness of each of the MOPAC and MPS control environments at least annually. This is based on an assessment of their systems of governance, including risk management and the adequacy and effectiveness of the respective internal control frameworks. Risk and assurance audits, systems development advisory work and the results of investigations undertaken within each organisation during the year inform that opinion. The Director also takes account of relevant HMICFRS and External Audit reports, MOPAC and MPS annual assessments of governance and the work of internal review agencies as appropriate.

MOPAC continued to deliver on Mayoral priorities in the Police and Crime Plan (PCP) whilst looking to the development of the next PCP. The MPS continued to develop and implement transformational change whilst maintaining frontline services. Both organisations faced the challenge of keeping Londoners safe during the Coronavirus pandemic, providing an effective response with the additional pressures placed on resources and policing priorities.

Annual Opinion

The first part of this report gives an overview of the governance, risk management and internal control frameworks for MOPAC and the MPS, which is supported by audit activity summarised in the latter part of the report. Overall opinions for 2020/21 are:

MOPAC has an adequate internal control environment, which is generally operating effectively.

Areas identified as further improvement (Page 7 refers) are within the MOPAC AGS and being taken forward as part of a well-defined Change Programme.

The MPS has established an adequate internal control environment with its overall effectiveness continuing to improve.

Key areas to improve include; increasing risk maturity across the Met, implementing a more cohesive approach to assurance provision, and embedding recent/planned governance improvements (Page 19 refers) as reflected in the MPS AGS.

Internal Control Environment

Joint MOPAC and MPS Audit Panel

The independent joint Audit Panel for MOPAC and the MPS operates in line with the Financial Management Code of Practice (FMCP), playing a key role in enhancing public confidence in the governance of policing in London. It met formally on a regular basis, throughout the year in line with its scheduled workplan. Separate Panel briefings were also held, considering key governance developments and risks, including those for Transformation, Digital Policing, MPS Diversity and Inclusion, Financial Position and MOPAC Commissioning.

The Panel received appropriate reports in discharging responsibilities as defined within its terms of reference and is due to conduct a review of its effectiveness in line with best practice, informing its Annual Report to be published in October 2021.

MOPAC and MPS Internal and External Audit Arrangements

DARA are the internal auditors for MOPAC and the MPS in line with the FMCP, which aims to minimise duplication and bureaucracy and increase value for money. The same external auditor, Grant Thornton, is also appointed for MOPAC and the MPS. Both internal and external audit reported to the joint Audit Panel at each of its meetings and had direct access to the Chair in line with recognised best practice. Meetings with 'those charged with governance', the Deputy Mayor for Policing and Crime (DMPC) and the Commissioner were also held during the year.

MOPAC Internal Control Environment

Accountability

MOPAC is accountable to the electorate, and the Metropolitan Police Commissioner to MOPAC. The Police and Crime Committee (PCC) of the London Assembly keeps under review the exercise of the functions of MOPAC and has continued to consider MOPAC performance at its monthly public meetings with the DMPC in attendance.

The Statutory Policing Protocol sets out how the functions of MOPAC, the Commissioner and the PCC are exercised in relation to each other. It defines the financial responsibilities of MOPAC and the Commissioner, making it clear the former is accountable to the public for the management of the Police Fund while the latter is responsible for allocated budgets following Mayoral and DMPC approval.

Strategic Framework

The Police and Crime Plan (PCP) for London 2017-21 sets out the Mayor's police and crime objectives, defining strategic priorities and outcomes for policing in London and the wider criminal justice system. It outlines MOPAC's statutory responsibility for oversight of the MPS, including budget setting, performance scrutiny and strategy policy development. The performance and accountability framework to support achievement of the strategic outcomes is defined and five overarching priorities are set for London. Due to Covid -19 the Mayoral election was postponed from May 2020 to May 2021 with the current Police and Crime Plan remaining in place for the intervening period.

Internal Control Environment

MOPAC key strategic roles in exercising oversight and convening and delivering activity, in support of the PCP and in meeting statutory responsibilities became further embedded. A previous DARA review had concluded the business planning and programme management framework supporting delivery of the PCP continued to develop and improve, with key risks generally being effectively managed. Lessons learnt in managing current PCP commitments have been captured and are informing the next PCP and supporting framework, currently being developed. Key drivers informing development of the PCP and framework include; the Mayor's manifesto commitments and recovery missions for London, the evidence base and National Crime and Policing Measures outlined by the Home Office. Future delivery will be facilitated by an enhanced programme management strategic approach and capability being implemented as part of the Change Programme.

The increased level of oversight with performance and risk reporting to the DMPC continued, and further work was undertaken to integrate financial information and report performance outputs and outcomes to key stakeholders with improved reporting during the year.

MOPAC has an established corporate governance framework, which includes a; MOPAC Board; PCP Delivery Group, Governance and Risk Working Group, Internal Budget Monitoring and Contracts and Commissioning Working Group and regular meetings of the DMPC and the MOPAC Board. Introduction of a MOPAC Board was a key development during the year, which brought a more structured focus to the management of core business.

The Violence Reduction Unit (VRU), a City Hall partnership overseen by the DMPC, the Deputy Mayor for Social Integration, Social Mobility and Community Engagement and the Deputy Mayor for Education and Childcare, moved into its third year. MOPAC is legally accountable for the decisions of the VRU, which is subject to MOPAC's scheme of delegation and consent, and staff are employed by MOPAC. Work continued to align MOPAC and VRU governance and processes with closer aligned and working relationships achieved during the year.

Oversight Governance

The Oversight Board, chaired by the DMPC, met regularly during the year. In line with its terms of reference it; scrutinised MPS delivery against the PCP, gained assurance on key priorities and specific issues of concern to the public and PCP, monitored progress against the medium-term financial plan and considered delivery and risks against the MPS Business Plan. This was facilitated by quarterly reporting on performance against PCP priorities, MPS Business Plan objectives and the overall financial position, which was further enhanced during the year. A forward workplan supported meetings with specific topics such as; Community Engagement, Domestic Abuse Investigation, Improving Victims' Experience, Enforcement and the Mayor's Action Plan, being considered.

A significant development during the year was the publication of the Mayor's Action Plan published in November 2020 with the aim to improve trust and confidence in the MPS and to address community concerns relating to disproportionality in the use of certain police powers affecting Black Londoners. DARA advised on the framework supporting the development of the Plan and the oversight and governance

Internal Control Environment

arrangements to oversee its delivery. Key priority areas include; an Overhaul of Community Engagement, the production of a Race Equality Audit and Dashboard, Community-led Training and an End to Violence Against Women and Girls. Delivery is overseen by a number of inter-related mechanisms within both MOPAC and the MPS. Communities play a significant part in oversight via a series of Public Review engagement meetings with stakeholders and community representatives, providing an update on work to deliver the plan.

Bilateral meetings between the Mayor and the Commissioner focused on scrutiny of the effectiveness and efficiency of the MPS supported by in-depth reviews of key areas of operational performance during the pandemic and delivery of the Action Plan. The DMPC also continued to hold one to one meetings with the Deputy Commissioner and each member of the Met Management Board.

A previous DARA review identified the need for a more cohesive approach to both operational and performance oversight, which had been recognised and has been addressed as part of the MOPAC restructure and is a key priority within the MOPAC Change Programme. This enables a more systematic approach to identify emerging issues and ensure scrutiny and forward planning are focused on key PCP priorities, whilst ensuring statutory responsibilities are met. Key accountabilities, roles and responsibilities in respect of oversight were clarified as part of the restructure. The development of an Oversight Working Group, chaired by the Head of Oversight and Performance, attended by DARA, also brings together functions across MOPAC to better inform, co-ordinate and direct oversight activity.

An array of data analytics effectively supports MOPAC's statutory role in exercising oversight, whilst recognising the operational independence of the MPS. A DARA review of the framework supporting Evidence and Insight showed it continued to develop and improve. Further action was taken to clarify arrangements for engaging and commissioning Evidence and Insight activity and data sharing with the MPS, which has remained a challenge in some areas accredited to Data Protection considerations.

Implementation of the structure for the new Directorate of Corporate Services will further enhance financial oversight, supporting the increased focus on scrutiny of the major MPS transformation programme and associated business case proposals, and the internal management of the MOPAC budget building on progress made during the year.

A governance review of the London Crime Reduction (LCRB) sub-boards was carried out aiming to maximise delivery against partnership PCP commitments across the criminal justice system and wider MOPAC priorities. The proposed new structure, supported by a re-defined terms of reference is due to be implemented.

The DMPC chairs the London Child Protection Improvement Oversight Board made up of subject experts, HMICFRS, DARA and senior officers from the MPS. It continued to oversee the response to HMICFRS reports on Child Protection, which this year recognised further governance improvements and action taken to improve the effectiveness of frontline activity. DARA reviews of Missing Persons Notifications and initiatives to strengthen the safeguarding delivery framework, informed the Board.

Internal Control Environment

MOPAC Restructure and Change Programme

MOPAC Board, in conjunction with its Senior Leadership Team and staff refreshed its overall Vision and Mission. This was supported by an organisational restructure and Change Programme also designed to respond to key external drivers, including the need to; adjust priorities to respond to demands placed on commissioned services and the wider Criminal Justice System, develop and implement the next Police and Crime Plan, deliver the Mayor's Action Plan to increase trust and confidence in policing and increase collaboration with other GLA functional bodies. The Programme has six key strands: Strengthening Oversight of the MPS, Professionalising Commissioning, Developing the workforce, Creating Supportive, Enabling Governance and Leadership, Streamlining and Integrating Core Processes and Consolidating Corporate Services.

A Change Programme Board, chaired by the Chief Executive with defined terms of reference, oversees the Programme with each strand sponsored by a Board member. Governance of the Programme has matured since its initiation with the support of contracted programme management resource and expertise.

Workforce Capacity and Capability

The Chief Executive made new permanent appointments to the MOPAC Board during the year with interim arrangements concluding and a new CFO and Director of Corporate Services, Director of Strategy and MPS Oversight and Director of Commissioning and Partnerships taking up post. Issues relating to capacity and capability raised in previous DARA reviews have been addressed by the organisational restructure led by the Chief Executive, which came in to effect at the beginning of April 2021. In particular, additional resources have been allocated to support the finance function within the Directorate of Corporate Services, a new Head of Policing Policy was introduced and additional resource directed to the oversight function.

Working groups led by MOPAC staff developed and enhanced key processes, including in relation to wellbeing and equality, diversity and inclusion, these provide the opportunity for staff to influence the development and culture of the organisation. Further work is being undertaken to complete the review of HR policies and procedures and the learning and development framework under the Change Programme.

Equality, Diversity and Inclusion

MOPAC is addressing issues raised by the Black Lives Matter movement and how that relates to the work of both the MPS and MOPAC. Supported by external consultancy it has refreshed its Equality, Diversity and Inclusion Strategy and Action Plan and delivered a comprehensive training programme, which has considerably enhanced understanding across the organisation as well as providing listening forums and coaching input for senior staff. Equality, diversity and Inclusion is also a recognised enabler integrated within the Change Programme. These initiatives support MOPAC's key aims to;

- Establish a workforce that is representative of London's diversity at all levels
- An inclusive culture where all staff can thrive
- Embed equality, diversity and inclusion into decision-making
- Use all levers to help ensure services meet the needs of London's diverse communities.

Internal Control Environment

Risk Management and Assurance

The joint Audit Panel received regular reports from the Chief Executive on key strategic risks and the development of the risk management framework. The Governance and Risk Working Group provided oversight of the identification and management of risks and a refresh of the risk register. The integration of risk management in the business planning and programme management framework helps to provide assurance that PCP objectives and statutory requirements are met. The planned greater integration between operational oversight and risk management will provide further assurance on the management of key strategic risks.

The Governance and Risk Working Group attended by senior leaders and DARA, oversees the implementation of the MOPAC Governance Improvement Plan and internal and external audit recommendations, receiving regular reports on progress from designated leads. Improvement was made in addressing those areas identified in last year's Internal Audit Annual report and further planned improvements are reflected in the MOPAC AGS.

Decision Making Framework

Monthly Investment and Monitoring Advisory Meetings took place, ensuring investment decisions were aligned to the PCP and founded on a sound business case, contributing to the budget targets set for the MPS. All subsequent DMPC decisions were recorded in the public domain. Further work was undertaken to align MOPAC and Met governance arrangements supporting decision making. DARA continued to advise the project, chaired by the MOPAC and MPS CFOs, aiming to pilot a revised approach to decision making and assurance provision with the potential of raising the delegated authority levels from MOPAC to the MPS. A revised assurance framework has been developed to support decision making but has not yet gone live. Internally, MOPAC is taking further steps to streamline and better align decision-making processes to core business activity.

A revised MOPAC Scheme of Consent and Delegation and Financial Regulations await final sign off, having been subject to external review during the year and revised to reflect best practice and bring greater clarity to key accountabilities, roles and responsibilities.

Grants and Commissioning Framework

There continued to be an increase in grant and commissioning funding and activity, including supporting those most vulnerable during the lockdown period. A DARA follow up review of the commissioning framework found good progress made in addressing issues previously raised by DARA and following an external review by Cipfa. This included standardisation of procurement guidance and documentation and action taken to improve procurement expertise across MOPAC. Improved financial information and analysis had facilitated more effective budget and contract management, this included more effective profiling of commissioning spend and activity. Further work has been undertaken to enhance the reporting of commissioning outcomes with additional work planned for the coming year. Considerable work has also been undertaken to support the upskilling of staff working in the commissioning area across MOPAC.

Internal Control Environment

Information Management

A considerable amount of information is placed in the public domain in line with statutory and GLA requirements, including budget and performance, data and performance dashboards across a wide range of areas/topics and Board minutes and papers. Further progress was made in implementing previous recommendations to capture and publishing more complete and consistent contracts and grants information.

Further work was carried out to embed GDPR requirements in day to day MOPAC business. A DARA follow up review found; a clearly defined policy on GDPR compliance had been developed, GDPR requirements were embedded in contract terms and conditions, contracts/grants were reviewed to ensure requirements were met, mandatory training and arrangements for Information Asset Registers and Data Processing Impact Assessments in place. Specialist outsourced Data Protection advice is available with the Head of Oversight and Performance carrying out the internal Data Protection Officer role, this arrangement is currently subject to review.

Further Areas of Improvement

DARA review activity informed the MOPAC Annual Governance Statement. Key areas of progress are highlighted in the above, the following areas of further improvement form part of the MOPAC Change Programme;

- **Oversight** – implementing and embedding the revised strategic oversight model, including determining and mapping sources of assurance.
- **Embedding revised Programme Management** model across MOPAC in support of delivery of next iteration of the PCP.
- **Risk Management** – further integrating with key processes across MOPAC as they evolve.
- **Decision Making** - implement revised decision making model giving greater clarity on accountabilities and assurance provision, supported by the revised Scheme of Delegation and Financial Regulations.
- **Workforce** – complete review of HR policies supporting implementation of People Strategy and embed Diversity and Inclusion Strategy and Plan.
- **Commissioning** – build on progress made in reporting outcomes from commissioned services and further embed standardised and improved professional best practice, including the VRU.

Internal Control Environment

MPS Internal Control Environment

MPS Strategic Framework

Met Direction: Our Strategy 2018-25 defines the MPS's long-term operational priorities and provides a vision of the MPS in terms of key features, capabilities and behaviours that the organisation wants, and will need to deliver its strategic aims: To keep London safe for everyone; To continue to develop internal capabilities; and ultimately for the Met to be the most trusted police service in the world. The Met's Business Plan setting out the MPS priorities aligned to the PCP was reviewed with a 2020-23 Business Plan, being published towards the end of the year. This is supported by a revised performance management framework established and overseen by the Performance Management Group (PMG), Chaired by the Deputy Commissioner.

Work continues to ensure strategic and operational tasking are fully aligned to the business plan with the outcome of DARA reviews supporting the need to further embed the business plan in day to day business.

Risk Management Framework

The Chief of Corporate Services regularly reported to the joint Audit Panel on key MPS strategic risks this included consideration of the corporate risk assessment, which is regularly refreshed and discussed at the most senior level in the Met by the Risk and Assurance Board.

A DARA review of risk maturity found there is a defined MPS risk management framework that has been designed in line with a recognised maturity model, which includes defined accountability, roles, and responsibilities. Management Board are committed to effective delivery of risk management with oversight exercised through the Risk and Assurance Board. Overall the review concluded, however, the MPS has a mixed level of risk maturity, which can be categorised overall as level 3¹ ('working') at the lower end of the scale. In particular, there is a need for greater consistency at Business Group and at operational level, with a focus on risk awareness, ownership and effective risk treatment to assure that risks are properly identified at all levels within the organisation and escalated as appropriate.

Consideration of a risk appetite for corporate risks is a positive development, although it is not yet sufficiently clear how this informs the subsequent risk responses, including the degree to which risks will be accepted or controlled with the thresholds for doing so. Clearly articulating this will provide the basis for more effective evaluation and monitoring. The current level of training and support to facilitate the strategic aim of effectively embedding risk management across the organisation needs to be enhanced. The outcome of a recent self-assessment of risk maturity levels will help to focus activity on those areas most in need of additional support by raising awareness and improving the effectiveness of risk management training. It will also enable senior management to draw conclusions on the levels of resources, infrastructure and capabilities required to help the organisation achieve its desired aim for effectively embedding risk management.

¹ On a scale of 1 to 5 where level 1 is engaging risk management and level 5 risk management is driving the business.

Internal Control Environment

Increasing the maturity and effectiveness of the risk management framework across the Met remains key to improving the effectiveness of the internal control environment as a whole. This includes effective integration with planning and performance management, and with the assurance framework to support a more robust approach to the identification and management of key risks.

Corporate Assurance Framework

Annual Statements of Internal Control, signed by members of the Management Board, are supported by statements, which this year were revised and set against defined governance principles. Outcomes are reflected in the MPS Annual Governance Statement (AGS).

There is an increased and developing focus on first line assurance activity, particularly within the area of Public Protection. The Data Quality Ethics and Assurance Board (DQEAB) oversees a local assurance process and there are plans to expand this to other operational business areas, and to improve the quality of local policies and procedures. DARA is working with operational leads to scope the potential for the provision of a level one assurance framework within the primary and secondary investigation area. This is in response to suggestions made by HMICFRS and DARA and builds on the DQEAB work in place within Public Protection. A key aim is to ensure this complements existing level two assurance activity and helps to strengthen front line ownership, understanding and delivery of effective assurance over the achievement of investigative objectives.

An initial review of the Continuous Professional Improvement Command confirmed the need for the definition of an overarching assurance framework. The Command has been structured into three strands: Stakeholder Management, Core Practices and a Centre of Excellence, which includes level two assurance activity. The methodology and rationale supporting the resources allocated to second line assurance provision continue to develop with CPIC increasing activity as the role of the Command becomes more embedded. There is a need for level two activity throughout the organisation to be more clearly articulated and understood to ensure best use of resources and increased effectiveness.

Work continues to capture and categorise themes arising from DARA review activity to inform discussion at Board level. This will improve the level of insight and facilitate more timely and focused intervention at level one to address the root cause of repeated control weaknesses and to strengthen the management of key risks in a more cohesive way.

The above highlights a number of positive developments in assurance provision there does remain a need to ensure clear alignment to the wider risk and performance frameworks across the 'Three Lines of Defence' model adopted by the MPS. Determining the corporate need and identifying all sources of assurance and ensuring they operate cohesively to support effective risk management and inform decision making will strengthen the overall internal control environment.

Organisational Learning

Work is on-going to implement and embed the Met's Organisational Learning and Research function established within the CPIC. Implementation is focused on

Internal Control Environment

embedding the OL framework, systemising information, learning from high harm/risk (gold groups) and promoting culture. The DARA advisory review of the governance of Gold Groups concluded the framework is in the early stages of development with the aim to more effectively identify and capture organisational learning setting clearly defined outputs and outcomes. This will need to be supported by appropriate alignment between Gold Groups, CPIC and the wider organisational learning and assurance frameworks. CPIC are in the early stages of developing a standardised methodology for analysing and understanding issues identified by Gold Groups. Learning outcomes are also to be better reflected in changes to policy and procedures and effectively communicated.

Learning and Development does not fall within the remit of CPIC but there is significant overlap in this area, which increases the need for clarity around roles and responsibilities. CPIC is responsible for the governance of all Met policy although not all policy owners and/or developers sit within the Command. Defining roles and responsibilities and further developing the strategic approach for identifying, evaluating and escalating areas of learning and ensuring policies and procedures are revised and socialised as appropriate will add to the overall effectiveness of Organisational learning.

DARA worked in collaboration with the Op Larimar team, to assess the effectiveness of the control framework established to support implementation of the Op Larimar Strategy. Significant work had been undertaken to ensure effective delivery against the Henriques, IOPC and HMICFRS recommendations relating to the MPS's handling of non-recent sexual offence investigations alleged against persons of public prominence, including Op Midland. Advising on the governance and risk management arrangements, the content and resourcing of the implementation plan, the design and dissemination of policies, procedures and training and the monitoring and reporting of performance against strategic outcomes, DARA recommended further enhancements, which were taken forward.

Governance and Decision Making Arrangements

The Management Board provides strategic direction, taking strategic decisions and overseeing organisational performance. It continues to be supported by key boards: Portfolio and Investment (PIB), People and Training, Risk and Assurance and Performance Management Group. Each with defined terms of reference and thresholds for taking key decisions.

The review of PIB governance and assurance concluded during the year with the introduction of the PIBL2 in the autumn of 2020. The aim is to simplify, improve and strengthen the process for providing PIB and Management Board with consistent levels of assurance prior to decision making, particularly on investment cases. A revised assurance framework, which is to be supported by the introduction of an Assurance Certificate, has been developed. DARA advised on the role of PIBL2, the supporting assurance framework, definition of accountabilities and roles and responsibilities and monitoring and oversight arrangements being established to support a revised decision-making process. This addressed the need for greater clarity of accountabilities, roles and responsibilities for decision making and more effective assurance provision.

Internal Control Environment

Transformation and Change Governance

Transformation portfolio risks are aligned to strategic objectives and regularly reviewed and escalated as appropriate. A follow up review concluded the benefits realisation framework has continued to improve with more formal arrangements supporting the appointment and training of SRO's. Further work is underway to increase the rigour in tracking and reporting on non-cashable benefits with greater alignment to Met Direction. A corporate approach to support benefits management for projects and programmes outside of Transformation is also being developed.

Previous DARA reviews showed there were varying approaches to managing change in the Met, creating inconsistency and differing standards and in some areas this has led to concerns with non-compliance with due process. There was also a need for greater clarity and understanding of the governance and oversight arrangements for major programmes and change activity outside of the Transformation portfolio.

A 'stocktake review' of how the Met manages change concluded in August 2020, it explored how change is managed through the transformation portfolio and the processes and capabilities managed by the Transformation Directorate; how other digital change is delivered through Digital Policing and how continuous improvement is enabled through Professionalism. The Commissioner and Chief of Corporate Services assigned a Director to take forward the recommendations, which aim to improve confidence in delivering benefits and in the efficiency and effectiveness of the way in which change and continuous improvement is delivered, in two key phases. Phase one commenced immediately and is largely complete with phase two planned for completion September 2021.

A differentiated approach to change is being developed and defined under four key categories: Transformational - SRO led Transformation Programmes with high levels of complexity and significant implications for the MPS; Mandated - business led change projects; Experimental - business led supporting innovation to be targeted against Met strategy and priorities and Incremental – locally led improving delivery, capability or continuous improvement. Specific pieces of work also focused on reviewing; Board terms of reference, strengthening and clarifying the role of CPIC and Heads of Profession, ensuring wider access to project and change management, reviewing resourcing models and embedding change within business planning. These are significant developments that are adding to the effectiveness of governance arrangements.

Commercial and Contract Management Framework

Significant work has been undertaken to develop and improve the framework under a new three year Commercial Functional Strategy aiming to deliver commercial ambitions, which is in its first year of implementation. The Commercial Blueprint, a new target operating model, was introduced in year supported by a new IT system covering each stage of the Commercial Lifecycle with both designed in line with best practice. Phase 1 of the implementation of the IT system is complete with phase 2 now due for implementation later in the year. It has taken some time to update revised documented procurement processes but recent progress has been made with all outstanding issues to be addressed by early July. Further action is needed and planned to sustain improvements made and achieve commercial strategic objectives. Continuing to

Internal Control Environment

increase skills and capacity and embedding revised business processes with a focus on compliance, will be key to building on the success of the progress made to date.

DARA reviews have raised a number of issues relating to the use of frameworks for procuring goods and services, additional guidance has now been developed and will be supported by Commercial Services to ensure frameworks are used consistently and appropriately in line with established standards. A follow up of the Intelligent Client Function (ICF) for the major SSCL contract showed there had been improved monitoring of performance and change control with increased resources and expertise now within the ICF. Reporting against anticipated savings required greater clarity. The DARA review of the Commercial Framework and Blueprint also identified the need to clarify the future strategic approach to contract management, aligning the work of ICFs to the recently introduced Supplier Relationship Management Strategy.

Corporate Social Responsibility

A DARA review concluded an up to date Environment and Sustainability Strategy is in place, aligned to the Met's Business Plan with supporting policies covering environmental management. The Environmental and Sustainability Board monitors and oversees implementation of the Strategy. Early notification of procurements to the Environment and Sustainability Team would be beneficial and business case templates need to include potential environmental objectives with all projects having defined Environment and Sustainability metrics and costings to better inform decision making.

Information Management Governance

The DARA review of Data Quality (DQ) concluded an effective strategic approach and governance framework is in place to drive DQ whilst interconnected transformation work continues on CONNECT, the core integrated policing application for custody, investigation, intelligence and prosecution, and the Evidential Data Archive (EDA). Aspects of DQ such as innovation, standards, analytics and new reporting dashboards are in early development and not yet embedded. Data foundations, data literacy and the value of data are being explored, which will help to drive and improve DQ and benchmarking as part of data maturity assessments. There is a need to educate, change behaviours and instil the principle of right first time and personal responsibility for data to underpin Data Foundations. Assurance over data is resource intensive and relies on monthly downloads that cannot be rerun once DQ amendments have been made, leading to mistrust in the data. There is a need to improve metrics, KPIs and data reporting standards and controls over the processing of paper files. Delays in the implementation of CONNECT are also impacting on the planned improvements.

Data Governance has improved overseen by the Data Board and by Data Talent and Analytics Strategies with previous ICO enforcement notices being lifted. Whilst full compliance with Data Protection legislation will not be achieved until CONNECT is fully implemented, progress continues to be made to demonstrate improved capability and capacity to manage the transformation to a compliant and Data led Organisation. Work on the completion of the Information Asset Register (IAR) continues to be key to achieving full compliance. Further work is required to embed cultural change across the Met, including improving Data literacy and accountability for Data Protection Impact Assessments, which are not yet consistently completed.

Internal Control Environment

The governance of Information Management continues to be a priority area for improvement in the Met's AGS.

Safeguarding of Assets

An adequate control framework supports Met Cyber Security, which is supported by a Strategy developed in line with best practice and approved policy, procedures and guidance. Zero-trust access authentication control has been adopted with access to the network restricted to Met devices and an appropriate firewall setup. An incident response plan documents the approach for dealing with a cyber-attack but had not yet been tested. A PenTest had not been carried out since 2017 but was commissioned as part of an IT health check (ITHC). A corporate wide assessment of the cyber risk is to be conducted and considered by Data Board, informed by the ITHC.

IT access controls improved with policies and procedures defining operating practices and security controls being updated and readily accessible. Logical access controls are in place and action taken to improve application level security controls. Physical security controls prevent unauthorised access to networks, data and systems and the scheduled Pentest will help to understand and assess potential vulnerabilities. Completion of the IAR is key to ensuring all IT systems are captured and properly secured.

Action was taken, overseen by the Risk and Assurance Board, to improve the oversight and governance of Smarter Working asset management, which was previously given a limited assurance rating, this led to improved reporting and clarification in roles. Local accountability for the safeguarding and management of smarter working devices also improved. Further clarity is needed on how operational risks in relation to smarter working feed into the wider DP risk management process. Following changes in working practices as a result of the pandemic, there is need to work with business areas to manage the impact of procuring laptops and associated costs. There is also a continued need to obtain assurance over the return of assets from those leaving the organisation.

A previous DARA review of Physical Security highlighted key governance and risk issues, improvement continued to be overseen by the Risk and Assurance Board during the year. Governance arrangements were improved with the introduction of the Estate Security Board and Security Strategy, chaired by DAC Corporate Services and Property Services took full responsibility for physical security. Action to address the areas outstanding is being overseen by the Strategic Board.

The Security Clearance and Vetting framework improved with a new IT system facilitating the generation of improved management information and analysis. There was a considerable reduction in the number of expired and outstanding vetting renewal cases, which is now at a minimal level. Work continues to improve the quality of vetting information and analysis of data to inform considerations of proportionality within the recruitment vetting process. A review and agreement of the designated post list will allow cross referencing with future enhanced vetting applications and the vetting sponsor portal within the CycVetting system. Work also continues to implement the Vetting Transformation Plan.

Internal Control Environment

Business Continuity and Disaster Recovery Arrangements

The follow up review of Business Continuity and Return to Normality Arrangements showed considerable improvement with arrangements working well during the pandemic. A Resilience Committee and Strategy are in place and a formalised governance structure is operating effectively. The operational side of business continuity and return to normality arrangements have further improved and issues with disaster recovery for those systems within the SIAM Towers resolved. Further work is required on testing disaster recovery arrangements for those systems outside the SIAM Towers, which is dependent on the completion of the IAR. The actions remaining are being taken forward by the Data Office as part of the IAR project, overseen by the Resilience Committee.

Workforce Capacity and Capability

The outcomes of DARA review activity continue to demonstrate the need for effective training identification, delivery and evaluation. A number of operational reviews also highlighted the need to better understand and define demand to more effectively support the allocation and deployment of resources. Both are recognised as areas of improvement in the Met's AGS.

A DARA review of the control framework supporting changes to Learning and Development (L&D) within the Met, concluded significant work has been undertaken to help transform the current strategic approach. Extensive consultation with stakeholders across the three interdependent elements of the programme (LDI, LTOM and Curriculum) has taken place and programme governance is in line with Transformation requirements. The complexity of the landscape increases the need to clearly define roles and responsibilities within the functional design and maintaining business engagement is key to achieving L&D objectives, given the historical context and cultural shift needed to move from compliance led training to a more holistic L&D offering. Effective risk management to minimise operational impacts, demonstrating a clear, evidence-based rationale for the approach taken and setting out how assurance over programme implementation will be obtained, will further enhance existing governance arrangements.

A DARA follow up review of the Leading for London Programme (Legacy and Impact) concluded there is a consistent learning approach for legacy programmes comparable to the original syllabus with a long-term aim to provide training internally. Higher emphasis on digital 'on the go' learning would better manage time and resources constraints. Sufficient resources are required to enable delivery of the programme to the remaining audience, a communication and engagement plan will also ensure continued long-term benefits are realised and there is a need for continued monitoring to reduce lost opportunity costs from late cancellations to training.

A Met Wellbeing Strategy and comprehensive implementation plan, aligned to the national wellbeing programme is in place, and is supported by an adequately designed control framework. A follow up review found governance arrangements are now clearly defined and a number of initiatives have been successfully delivered. Analysis of the Psychological Screening Programme has been extended to more high-risk groups, and several services provide holistic support and interventions to improve wellbeing. There is provision of appropriate support to deliver health and wellbeing services and support decision making. Development of a local health and wellbeing strategy aligned

Internal Control Environment

to the corporate strategy was underway and completion of the performance monitoring and KPI review re-commenced.

Management of the Occupational Health contracted arrangements improved with demand being better understood and managed assisted by improved data. Action was taken to manage increasing levels of business, all KPIs reviewed and a formal change control process put in place. A joint risk register is maintained, changes made to control costs of GP reports and an uplift of contract value for the provision of OH services was approved. The framework continues to become more embedded to support delivery of the enhanced contract.

Diversity and Inclusion Framework

A previous DARA review recognised the complexity of governance arrangements supporting the delivery of the Inclusion and Diversity Strategy and the level of activity underway. It also noted that although considerable data and information are produced, the lack of a cohesive performance management framework and metrics impacts on the effectiveness of reporting and monitoring against agreed strategic outcomes. A further follow up reported wider representation on key boards and roles and responsibilities under revised governance arrangements, linked to the Business Plan, were being defined. This is to be supported by an enhanced delivery plan, performance framework and management reporting against a revised I&D Strategy. A communications plan is also to be developed to generate awareness and support implementation of the revised Strategy and to share and embed best practice across the Met. A Delivery Group chaired by the Deputy Commissioner oversees both delivery of the Met's I&D Strategy and the Mayor's Action Plan.

Key Financial Systems Control Framework

Migration to the PSOP system changed the end to end assurance landscape with first, second and third line assurance providers operating on one platform across separate entities. A Financial Assurance Framework has been developed, which is conceptually sound and based on recognised best practice. The design and implementation of the framework does need to be more closely aligned with the strategic intent, and to corporate risks and strategic objectives. Roles and responsibilities need to be more clearly defined and understood, particularly around first and second line assurance provision to ensure gaps are identified and duplication avoided. Effective validation and assessment of the sources of assurance will also help to achieve a consistent qualitative judgement to drive improvement and inform organisational learning.

DARA reviews of the key financial systems, Accounts Payable and PSOP access controls were rated adequate with further improvements planned to clarify respective roles and responsibilities with SCCL and enhance the quality and accuracy of data and management information. The DARA review of overpayments, undertaken due to MPS concerns over the process, concluded there is a clear division of roles and responsibilities with guidance published and there is an appropriately flexible policy on recovery of overpayments. Considerable improvements were, however, required in the recording of accurate and timely data, with management information and reporting by SSCL against SLAs/KPIs to be put in place. Clear policy and guidance for write-off of overpayment debts to ensure consistency was also needed.

Internal Control Environment

A previous review of Police Overtime concluded policy and guidance in support of Police Regulations was not sufficient to provide appropriate direction to users and the overarching framework not adequately defined. A Gold Group, chaired at DAC level, met monthly to develop, oversee and monitor action to address issues raised. Business Group OCUs produced individual overtime action plans focusing on areas requiring closer scrutiny, e.g. highest earners. Regular information, support and guidance was provided to OCUs by Strategic Finance Business Partners and overtime policy updated. There remains a need to ensure that action plans contain a clear and consistent approach to the interpretation and implementation of policy and that these activities form part of a sustainable approach. Identifying and capturing liabilities in relation to overtime and outstanding rest days is necessary to help inform workforce planning and deployment. Continued review of the police overtime risk profile will allow timely identification of emerging risks and facilitate prompt mitigation going forward.

The Budgetary Control Framework operating at Business Group Level improved with the Scheme of Devolved Financial Management updated and increased senior officer scrutiny and oversight of financial matters, with regular review meetings and improved levels of engagement. A comprehensive overtime budget training package has been developed and formal delegations to budget holders are to take place. This is to be supported by specific guidance on discharging budget responsibilities and a self-service reporting system to facilitate effective budget monitoring at a local level.

Anti-Fraud and Corruption Strategy and Framework

A further DARA follow up review of counter fraud arrangements for the organisation showed that limited progress had been made with ineffective governance and co-ordination across the Met to prevent and detect internal fraud. A Strategic Oversight Board to co-ordinate relevant activity has, however, been established to review the existing Anti-Fraud, Bribery and Corruption Strategy and to produce an up to date and effective delivery plan and further progress has subsequently been made. A simplified policy for raising concerns and improved mechanisms for regular reporting of cases between DPS and DARA were developed and an updated fraud risk assessment completed. There remains a need to better integrate the management of fraud risks in the corporate risk management framework and to ensure all instances of Fraud/financial irregularities are properly captured and reported to enable effective oversight and action to prevent further occurrence.

A separate Counter Corruption Strategy has recently been developed, which needs to be aligned to the existing Anti-Fraud and Corruption Strategy supported by clearly defined and integrated delivery plans.

Operational Risk Management and Control Environment

A DARA review of the Met Detention Delivery Framework, primarily focused on capacity and capability concluded that it was not yet operating effectively. There is a clear structure supported by staff with specific portfolio responsibilities and defined minimum staff levels. Corporate Custody Policy and mandatory instructions needed to be regularly updated to reflect changes in legislation and best practice and the resourcing model reviewed to ensure sufficient resources enable the Met Det Command to deliver its objectives. Improved monitoring and completion of training was also required.

Internal Control Environment

A DARA review of the Domestic Abuse Investigations Framework concluded a number of key controls need to be strengthened to help meet strategic ambitions for domestic abuse incidents. Significant work is ongoing across Professionalism and Frontline Policing, in particular through the Public Protection Improvement Plan (PIIP) and Strengthening Local Investigations Transformation Programme, to ensure that domestic abuse investigations are conducted in a professional and timely manner with the necessary oversight and supervision to achieve the best outcomes for victims. The Domestic Abuse Policy is to be revised to reflect best practice, current legislation and align with other related policy and recently introduced guidance pertaining to investigations and their supervision. To address capability concerns and increase investigative capacity, 'DA Matters' training is due to be rolled out across Frontline Policing; ensuring uptake and evaluation of its effectiveness will be key to achieving the improvements needed. Steps are being taken through the PIIP implementation to review workloads and further clarity around respective roles of investigators and supervisors, key intervention points and escalation processes is also needed.

Following a successful rollout of a national system the Single Online Home (SOH) for Crime recording is used by the MPS to respond to the needs of the public to report crime through a digital platform. This is in line with MPS strategy and move to enhanced digital engagement, which was supported by a consultative approach aiming to reduce costs and improve crime reporting and compliance with statutory crime reporting targets. Stored data is appropriately secured and dip sampling found no significant processing issues, although at the time of our review further matching of data between SOH, Call Handling System (CHS) and Crime Reporting System (CRIS) was required. Equality Impact Assessments and DPIAs are to be finalised.

The Release Under Investigation (RUI) framework improved having previously been assessed as not operating effectively. Updated policies on use of RUI, general investigation and suspect management have been issued and additional training provided. There is regular monitoring taking place with analysis of trends and investigation of outliers. Actions arising from the report of the Office of the Biometrics Commissioner have been addressed and work continues to maintain compliance. There is a continued need to consider and plan for any resource implications arising from changes following the Home Office consultation and any revision to bail legislation, and there is a need for continued focus on clearance of old NSPIS records.

The previous DARA review of Disclosure Case File Management included risks and challenges associated with the impact of disclosure requirements on the initial investigation of serious sexual offences. Significant work has been undertaken, there is improved collaboration between the Met and its key partners and new guidelines on disclosure provide clarity on the use of digital media. A review of the risk management framework led to enhanced identification and assessment of key risks and improvements to the governance structure of the LCRB and LCJB provide a single, unified governance structure. Analytical work provided insight into the cause and impact of disclosure failures and resulted in a suite of dashboards used to support action required. There is a continued need to update advice on the storage of digital evidential material, and full implementation of the Magnet interrogation tool and review of internal communications will further enhance effectiveness of case file management

The review of Gun Crime Resources, Capability and Deployment concluded there is a clearly defined structure for gun crime operations within SC, and collaboration with

Internal Control Environment

other Met units and partner organisations ensures a co-ordinated approach. There are clear and systematic processes for requesting and receiving support and relevant quarterly management information allows oversight of activity. A Firearms Strategy aligned to the MPS Violence Strategy and Business Plan and terms of references for the respective gun crime forums have also now been produced.

A follow up review of the Territorial Support Group (TSG) recognised improved controls with a Taskforce Performance Framework aligned to Met priorities and defining metrics in key areas of focus, supporting reporting on TSG performance. The Taskforce Risk Register captures current risks and mitigation, effective BCU liaison and communication channels are in place and the system to monitor compliance with WTR strengthened. Areas for further improvement include; definition and monitoring of expected outcomes relating to engagement activity, analysis of demand and TSG resourcing requirements and to ensure consistent and accurate completion of the Skills Database to monitor training compliance and identify any skills gaps.

The Forensic Services control framework is generally operating effectively. Governance arrangements and key roles and responsibilities are clearly defined and a wide range of accredited services operate in accordance with standards assured regularly. The follow up reported overall improvement with an effective response and recovery plan for the pandemic implemented alongside existing business continuity arrangements, and effective use of technology assisting in development of new working practices. Further improvement to delivery of training and the competency assessment for frontline officers on data download from devices is needed and the Forensic Services vacancy rate needs continual review to ensure service delivery.

Significant work has been undertaken during the year on Public Protection with an overarching plan developed to improve performance. Local DQEABs and a work programme to provide assurance over key areas of activity including; MISPERs, Domestic Abuse and Online Child Exploitation were also developed. This supports the performance model and work being carried out under Op Aegis and plans are being considered to extend this initiative to other areas of the business. Progress was made in developing a suite of outcome measures linked to Public Protection priorities.

Management of Notifications of Missing Persons via the Merlin system is supported by the Multi Agency Safeguarding Hub (MASH) Resource Guide providing clear objectives and direction for the safeguarding to children and vulnerable adults. Co-location of partner-agencies such as the Met and social services supports a co-ordinated approach with a wider review of MASH underway. A revised Data Sharing Agreement between the Met, London Councils and the NHS has now been completed to capture respective accountabilities, roles and responsibilities. Safeguarding performance is captured within corporate dashboards, management information is, however, to be generated to monitor notifications and referrals and ensure the assessment and grading of PACs is carried out. Actions to improve training and supervision are also planned

DARA contributed to action taken to improve performance around MISSING persons. This includes work to ensure Local Response Teams (LRTs) provide effective support to Duty Officers, ERPTs and MISSING investigation teams. Initial work identified a number of the ongoing challenges in this area around policy compliance, resilience

Internal Control Environment

and work-flow interfaces. This is being taken forward by the Lead Responsible Officer for Missing.

DARA worked with Central Specialist Crime - Proactive Money Laundering Team and the Covert Finance Unit on the system to retain Crypto Currency seized under POCA. This is in response to formalising contractual arrangements with crypto exchanges submitting Suspicious Activity Reports to Law Enforcement due to the increasing use of Crypto Currencies by organised crime gangs. The advice will help to establish effective controls and a robust system for managing this area of risk.

Improving the MPS Internal Control Environment

The MPS governance improvement plan is informed by DARA activity and the Director's annual opinion. The above highlights areas of development and progress with the following summarising further action key to securing a fully effective internal control environment.

- **Risk Maturity and Assurance Provision** – increasing risk maturity across the organisation, in particular at a local level and implementing a more cohesive approach to risk management and assurance provision, including that linked to organisational learning.
- **Implementing and embedding the revised governance arrangements for the management of change across the Met.**
- **Clarifying accountabilities, and roles and responsibilities** – noting improvement in some areas, DARA reviews reflect there is more to do in providing greater clarity in the accountability framework and managing interdependencies.
- **Further embedding and fully integrating the Met Business Plan in day to day activity.**
- **Improving skills and capacity, supported by sound systems and reliable information** – being addressed under the Transformation programme and moving towards implementation, in particular with the introduction of the Learning Management System.
- **Implementation of planned improvements to information management and data quality** continuing the progress made with the creation of the Data Office and Data Strategy and looking toward the introduction of CONNECT.
- **Embedding the Commercial Blueprint and revised CLM framework, moving into second year of delivery of the Commercial Functional Strategy** - building on the improvement made to date in working towards achieving defined commercial strategic objectives.
- **Further improving the timeliness and quality of action taken to address areas of improvement identified as a result of review activity and corporately addressing underlying causes and/or control weakness (Appendix 1 refers)**

Internal Control Framework

Review Assurance Ratings

The overall position on assurance ratings for completed reviews is summarised (Appendix 2 has the detail) as follows:

| Rating | Risk Based Reviews | Risk Based Reviews % | Follow Up Reviews | Follow Up Reviews % | All Reviews% |
|--------------|--------------------|----------------------|-------------------|---------------------|--------------|
| Substantial | 0 | 0% | 0 | 0% | 0% |
| Adequate | 14 | 67% | 20 | 91% | 79% |
| Limited | 7 | 33% | 2 | 9% | 21% |
| Total | 21 | 100% | 22 | 100% | 100% |

Risk and Assurance and Follow Up Reviews

The control framework for 67% of the first time reviews conducted was assessed as adequate (48% last year) with 33% rated limited (52% last year). A total of 91% (84% last year) of follow ups achieved an assurance rating of adequate and 9% limited (16%) and 55% (20% last year) showed an improvement in assurance rating.

Overall 79% (33% last year) of reviews this year were rated adequate and 21% (65% last year) limited, 2% were substantial last year. This is a notable improvement, and in particular demonstrates the impact of taking action to address identified control weakness. The aim going forward is to achieve more at substantial rating (sound and effective control framework) at the time of follow up. An increased focus on second and first line assurance should improve the quality of internal control and local risk management, evidenced in the outcomes of first time reviews.

Management Action

A total of 144 (170 last year) actions were agreed for 2020/21 reviews of which 57 (40%) were high priority and 87 (60%) medium priority, 41% and 59% last year.

DARA follow up activity showed 111 (55% - 38% last year) of the 201 agreed actions for 2020/21 reviews were fully implemented, 75 (37% - 42% last year) partly and 15 (7% - 20% last year) not implemented. Eight high priority actions had not been implemented and 44 were partly implemented.

There has been increased oversight by the Met Management Board of those reviews rated as limited with Risk and Assurance Board seeking assurance that appropriate action is planned and/or being taken.

Advisory Reviews

This year a number of advisory reviews were conducted in key areas of the business, for MOPAC this included carrying out significant work on its Change Programme, the development of the Mayor's Action Plan and further development of the oversight

Internal Control Framework

framework to support the next Police and Crime Plan. In the MPS DARA advised on key areas such as; Op Larimar, Learning and Development, Safeguarding Framework and Missing Persons. DARA advised and supported both organisations in developing a revised assurance process to support effective end to end decision making.

Systems Development and Governance Boards

Appendix 2 details significant systems development and control advice activity. This includes a considerable commitment to helping to improve the effectiveness of the Public Protection Framework, advising on key developments in procurement and contract management, and ensuring lessons learnt from previous DARA reviews are being addressed by a number of key programmes and boards. Advice and support were also given to;

- Public Protection Oversight and governance boards
- Met and MOPAC Governance Boards
- Fleet Programme Board
- Crime Recording Governance and Control
- CRSA exercise for Estates Strategy and Management

Counter Fraud

Investigations

Appendix 2 captures the detail of counter fraud activity. NFI investigations for the 2019 exercise were completed with the remaining 1,056 matches closed, a total of £217k having been recovered in total. The biannual data matching exercise for 2020/21 was completed with 6,101 NFI matches, work focussed on payroll and pensioners and creditors with the highest NFI risk rating. A total of 1,056 matches were reviewed and closed with 75 matches under investigation by Counter Fraud.

Liaison activity with DPS colleagues included investigation of thefts from police stations (ten cases £20k recovered) and a joint analysis of expense claims and Barclaycard use, which led to three arrests. Increased analytical activity is planned for the coming year to be facilitated by improved access to data. A major fact finding review supporting DPS colleagues in investigating Whistleblowing allegations was also conducted.

Fraud Prevention and Detection

DARA continued to support the fraud awareness programme across MOPAC and conducted a follow up review of the MPS Counter Fraud arrangements. It advised on action required to support the MOPAC/MPS Anti-fraud and Corruption Strategy, which is now being taken forward by a Strategic Board. An updated fraud risk assessment is to be incorporated into day to day business and better take up of Met mandatory e-learning anti-bribery and fraud awareness training achieved. The capture and reporting of instances of fraud are also to be improved.

Internal Control Framework

MPS Internal Review Activity

In reaching the overall opinion, the Director of Audit, Risk and Assurance has taken account of internal review activity completed by the Safety and Health Risk Management Team, which shows overall that an adequate framework is in place, which is being supported by the implementation of a maturity model to further improve assurance. Reliance was also placed on reviews conducted by the Information Assurance Team, which continue to demonstrate the need for improvement in some areas.

External Review Activity

In March 2020 HMICFRS suspended inspection activity to allow policing to focus on their response to the Pandemic. A limited programme commenced later in the year with a restart of core inspections to allow for a smooth resumption of all programmes in 2021/22.

In July 2020 HMICFRS published a report into Roads Policing. It noted that the MPS had strategic leaders, officers and staff who demonstrated a strong commitment to roads policing. The strategic partnership between Transport for London and the MPS was highlighted as working well with a sharp focus on road safety and a shared action plan reflecting the national strategy.

An inspection on the police response to the pandemic focused on activity between March and November 2020 looking at all forces in England and Wales and detailed inspections in 19 forces including the MPS. An additional report on Custody Services within a COVID-19 environment was published in April 2021. Some recommendations were made for all police forces, nothing specific to the MPS.

HMICFRS were asked to examine the MPS policing of a vigil held on 31 March 2021 in commemoration of Sarah Everard. They concluded that the MPS acted appropriately and adopted a proportionate approach. Police officers remained calm and professional when being subjected to some extreme and abhorrent abuse, working to maintain public safety and keep the peace. In a wider inspection of how effectively the police deal with protests, the MPS unique position was recognised as the majority of large-scale protests take place in London. Mention was made of the routine co-operation between MPS and Transport for London, the highly developed training within the MPS and of an exemplary Gold Strategy developed by the MPS for the policing of Black Lives Matter protests in London during the summer of 2020.

DARA Strategic Approach and Performance

Shared Internal Audit Services

DARA is the lead internal audit provider to the GLA group, delivering services to the GLA, London Fire Brigade, London Legacy Development Corporation, Old Oak and Park Royal Development Corporation and also provides a service to the National Police Chiefs Council. As a result, overheads are reduced and more efficient use made of audit resources. DARA continue to work in partnership with the private sector drawing on skills available in specialist areas such as IT.

Risk and Assurance and Advisory Work

The focus on high risk areas and adopting a risk-based approach helps to embed risk management across MOPAC and the MPS. Providing assurance on areas working effectively whilst highlighting those that require action to strengthen governance and improve the management of key risks to corporate priorities and objectives. Follow up audits show where management action is taken this has a positive impact on the control environment. Management acting on DARA risk and control advice as systems develop also helps to prevent control failures, which saves valuable resources.

The outcome of DARA review activity informs the MOPAC and MPS annual governance statements and improvement plans, which has contributed to improvement in a number of key areas.

Counter Fraud Activity and Outcomes

DARA counter fraud activity continues to provide an effective response where fraud occurs, which is essential in increasing public confidence in MOPAC's and the MPS's commitment to tackling such issues. Action is taken to recover any misappropriated funds, which can be redirected back into public funds. Fraud prevention work fraud improves the identification and management of fraud risks.

Equality, Diversity and Inclusion

The MOPAC and MPS commitment in relation to equality, diversity and inclusion is considered in all audits and investigations. In particular, this year DARA continued to support the joint Audit Panel in reviewing the development of the framework supporting the implementation of the Met's Diversity and Inclusion Strategy and advised on the framework supporting the development and delivery of the Mayor's Action Plan.

Working in Partnership

External Review Agencies

DARA has an effective working relationship with External Audit meeting on a regular basis to exchange findings and co-ordinate work programmes to avoid duplication and maximise the benefits derived from review activity. External Audit continue to place reliance on DARA in reviewing key financial systems and governance arrangements.

DARA Strategic Approach and Performance

Audit Forums

DARA influence the development of audit in the policing environment and wider local government through membership of regional and national forums. The Director chairs the National Police Audit Group, Co-Chairs the CIPFA Police Governance, Audit, Risk and Assurance Group and is the police audit representative on the CIPFA Police and Fire Panel and Specialist Internal Audit Interest Group. The Head of Audit and Assurance is a member of the CIPFA Risk Management online service, assisting in developing risk concepts and ideas to help Public Sector organisations to embed risk management. This ensures DARA remain at the forefront of professional developments and provide a dynamic and up to date internal audit service to its clients.

Counter Fraud Liaison

DARA are members of the Institute of Counter Fraud Specialists, and the London Fraud Forum, maintaining regular contact counter fraud representatives from both the private and public sector.

Professional Standards and Audit Independence

The DARA team are all professionally qualified or accredited counter fraud specialists and conduct their work in accordance with defined professional standards, a code of ethics and Public Sector Internal Audit Standards. There is a requirement for DARA to be subject to an External Quality Assurance (EQA) review at least every five years. In 2019 the EQA concluded; *'It is our opinion that the Directorate of Audit, Risk and Assurance FULLY CONFORMS to the requirements of the Public Sector Internal Audit Standards.'* The report went on to say, *'DARA is recognised throughout the policing sector (and indeed elsewhere in the public sector) as being one of the leading in-house public sector internal audit services.'* In maintaining these standards there is on-going QA through:

- Documented Processes and Standards - Audit Manual
- Supervision of each Audit Assignment
- Quality Assurance Reviews
- Self-Assessment against the Public Sector Internal Audit Standards (PSIAS)
- Client Feedback and Review
- Continuous Improvement

No areas of non-compliance were identified and there have been no impairments to DARA independence or objectivity during the year.

Client Satisfaction

Client satisfaction questionnaires issued following each audit review showed that the overall target of 80% satisfaction (i.e. a score of 4 from 5 or greater) in all aspects of DARA work was exceeded with 83% being achieved. The most effective areas of performance were in the conduct of the audit, achieving 97%.

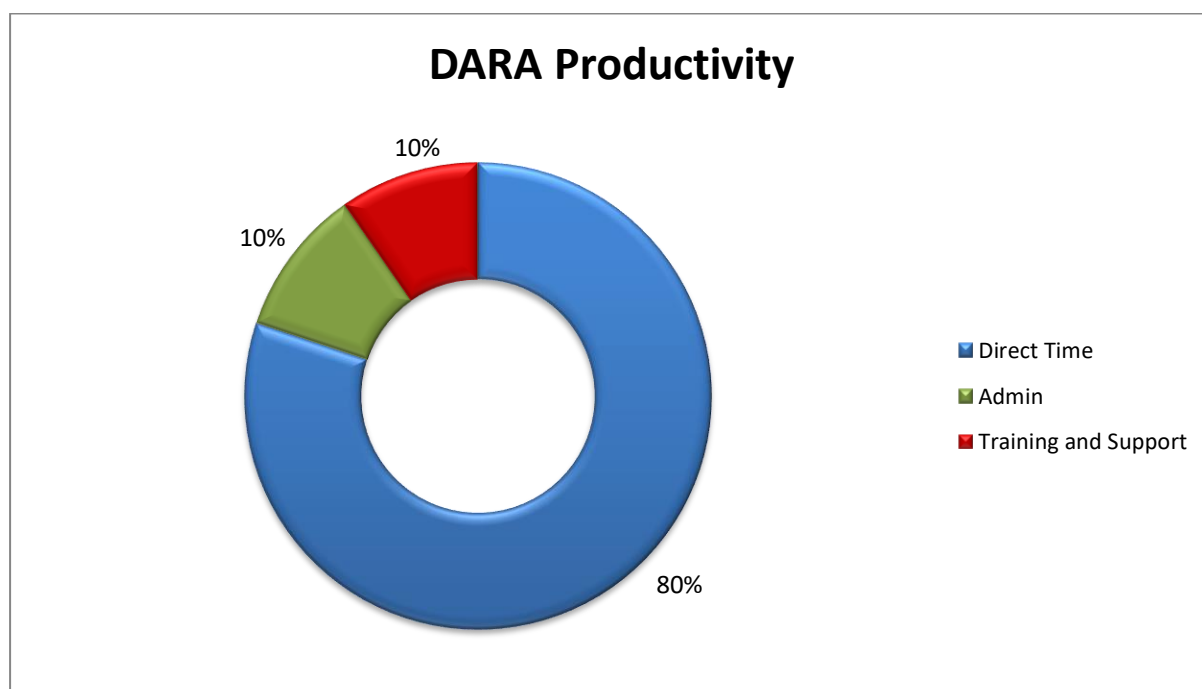
DARA Strategic Approach and Performance

Planning and Delivery

DARA were able to complete 90% of the programme to report stage (target 90%) with 9% in progress and 1%, two reviews, carried forward in to 2021/22. Less direct time was available due to an increase in pandemic related special leave and sickness and increased level of training. Activity is summarised as follows;

| Activity | Planned | % | Actual | % |
|---------------------------|-------------|-------------|-------------|-------------|
| Risk and Assurance Audits | 1587 | 63% | 1518 | 65% |
| Risk and Control Advice | 451 | 18% | 399 | 17% |
| Counter Fraud Activity | 492 | 19% | 420 | 18% |
| Total | 2530 | 100% | 2336 | 100% |

Productivity was at 80% against the 82% target set, predominantly due to an increased level of corporate training (10% against 8% planned) and administration time.



Timeliness of Reviews

DARA met the 80% target for issuing reports within three weeks of completing fieldwork, response times also improved with 80% in the 3 week target being achieved. Timeliness of issuing the final report once a response is received fell short of the 80% target at 71% and timeliness in commencing reviews needs to improve with a number delayed due to a lack of effective engagement by the business at the outset.

DARA Strategic Approach and Performance

Key Objectives for DARA in 2021/22

DARA will continue to be an independent source of assurance to the Commissioner, DMPC, MOPAC Board and MPS Management Board;

- Under the new operating environment, ensuring audit activity continues to be aligned with strategic objectives (including those that relate to Diversity and Inclusion), and risks to MOPAC and the Met, facilitating the increased focus on risk mitigation and strengthening internal control.
- Building on progress made helping to further develop and improve the Met Assurance Framework and increased level of risk maturity across the organisation.
- Continue to advise on the framework supporting delivery of the new Police and Crime Plan, and in particular embedding the revised oversight model.
- Further developing the capability and capacity within the DARA team, implementing the new trainee auditor scheme and further embedding EDI in the audit approach and activity.
- Continuing to liaise and engage with business and operational leads to increase risk, fraud and control awareness, providing timely advice as risks emerge.
- Work alongside the business to support the significant level of change taking place advising on governance and control issues as systems develop and progress.

Key Themes Arising from Review Activity

| Accountability | Strategy Definition | Policy and Process | Management Reporting | Risk Management | Assurance | Capacity and Capability |
|--|--|--|---|---|---|---|
| <ul style="list-style-type: none"> • Clarity of accountabilities, roles and responsibilities. • Ownership of Strategy and Policies. • Recognising and managing interdependencies. • Succession Planning and continuity of management oversight | <ul style="list-style-type: none"> • Clarity of key strategic objectives in business areas. • Demonstrating link to corporate objectives and business plan. • Definition of frameworks and/or plans to support delivery. | <ul style="list-style-type: none"> • Definition of accountabilities, roles and responsibilities. • Out of date -not keeping pace with change. • Lack of focus on risk and control - need to be clearer and more concise. • Lack of process to ensure compliance e.g. supervisory controls and review activity • Not always accessible and user friendly. | <ul style="list-style-type: none"> • Definition of management information requirements • Quality and accessibility of performance and financial information. • Effectiveness of Monitoring and Review. • Measurement of delivery against objectives | <ul style="list-style-type: none"> • Identification of risks to achieving objectives. • Ownership of risk and mitigations. • Management of risk - understanding and focus on internal control. • Clear articulation of risk appetite and impact on controls | <ul style="list-style-type: none"> • Definition of assurance requirements. • Provision of Assurance. • Reporting and acting on assurance activity outcomes – to strengthen first line controls. | <ul style="list-style-type: none"> • Deployment of Resources. • Recruitment and retaining appropriate skills and resources. • Training – identification delivery and evaluation. • Organisational learning. • Matching resources to delivery of objectives and demand |

Note: Bold= areas more prevalent

Outcomes of DARA Activity

MPS

| Focus on what matters most to Londoners | |
|---|-----------------------|
| Risk and Assurance Audits | |
| <i>BCU Programme - Domestic Abuse Management and Deployment of Resources (incl. investigations framework)</i> | L |
| Gun Crime – Resources, Deployment and Capability | A |
| Follow Ups | |
| BCU Programme - Safeguarding Delivery Framework | Advisory |
| Gun Crime – Resources, Deployment and Capability | A |
| Territorial Support Group – Use and Deployment of Resources | A |
| Achieve the best outcomes in the pursuit of justice and in support of victims | |
| Risk and Assurance Audits | |
| <i>Investigations Framework – Delivery and Capacity (part of DA review)</i> | L |
| Met Detention Delivery Framework – Capability and Capacity | L |
| BCU Programme – Missing Persons, Merlin | A |
| Framework Supporting Proceeds of Crime Act (Crypto Currency) | Advisory |
| Operational Larimar Delivery Framework | Advisory |
| Follow Ups | |
| BCU Review Programme – Missing Persons, Merlin | A |
| Forensic Management and Control Framework | A |
| Disclosure – Case File Management | A |
| Framework Supporting Release Under Investigation | A |
| Seize the opportunities of data and digital tech to become a world leader in policing | |
| Risk and Assurance Audits | |
| <i>Information Management – Data Quality and Security (incl. Workforce Data)</i> | L |
| Digital Engagement Public and Key Stakeholders – On line Crime Recording | A |
| ICT Control Environment – Cyber Security Framework | A |
| Framework Supporting Development of SIAM 2 | A |
| Follow Ups | |
| DP Control Environment – ICT Access Controls | A |
| Framework Supporting Implementation of Data Protection | A |
| Care for each other, work as a team, and be an attractive place to work | |
| Risk and Assurance Audits | |
| Operational Learning and Development Framework | Advisory |
| Estates Strategy and Management | CRSA |
| Follow Ups | |
| Framework Supporting Inclusion and Diversity Strategy | L |
| Well Being Strategy Development and Implementation | A |
| Occupational Health (Optima Review) | A |
| Learn from experience, from others, and constantly strive to improve | |
| Risk and Assurance Audits | |
| Governance of Gold Groups - Organisational Learning Framework | Advisory |
| Risk Management Framework | Level 3 Risk Maturity |
| Follow Ups | |
| Leading for London Programme (incl. Legacy and Impact) | A |
| Smarter Working – Asset Management | A |

| Be recognised as a responsible, exemplary and ethical organisation | |
|---|----------|
| Risk and Assurance Audits | |
| Financial Assurance Programme – Financial Assurance Framework | Advisory |
| Financial Assurance Programme – Overpayments | L |
| <i>Commercial Framework (incl. Contract Management)</i> | L |
| Accountability and Decision - Making Framework – Scheme of Delegation | Advisory |
| Corporate Social Responsibility – Sustainability Investment Decisions | A |
| Follow Ups | |
| Security Clearance and Vetting – Effectiveness and Efficiency | A |
| MPS Counter Fraud Arrangements | L |
| Financial Assurance Programme – Police Overtime | A |
| Financial Assurance Programme - Budgetary Control Framework | A |
| Contract/Client Relationship Management - SSCL Contract | A |
| Fleet Review | A |
| Transformation and Change | |
| Risk and Assurance Audits | |
| Transformation Project/Programme Management – Governance | A |
| Follow Ups | |
| Transformation Governance – Benefits Realisation | A |

MOPAC

| Governance | |
|---|----------|
| Risk and Assurance Audits | |
| <i>Oversight of Police Complaints -</i> | A |
| Commissioning – Development of Framework | A |
| <i>Budgetary Control Framework</i> | A |
| Oversight Framework | Advisory |
| Community Engagement – Mayor’s Action Plan | Advisory |
| MOPAC Recovery Programme/Change Programme | Advisory |
| Follow Ups | |
| Risk Management – Identifying and Managing Risk Interdependencies | Advisory |
| Commissioning – Process and Guidance | A |

Ratings Key:

| | | |
|-------------|----------|---------|
| Substantial | Adequate | Limited |
|-------------|----------|---------|

| Audit Reviews at Fieldwork | |
|---|--|
| Violent Crime – Partnership Focus (including MOPAC VRU Violent Crime) | |
| Ethical Framework | |
| MOPAC Internal Governance – aligned with GLA review | |
| Introducing New Technology – Governance of Pilots and POCs | |
| Audit Reviews Carried Forward to 2021/22 | |
| Governance Review of Recovery and Renewal Programme | |
| Capital Asset Management System | |

| Systems Development and Control Advice | DARA Activity |
|--|--|
| Joint MOPAC/MPS Audit Panel | Supported the work of the joint MOPAC/MPS Audit Panel; facilitating Panel meetings and briefings, meeting with the Chair, and will contribute to the Panel’s annual review of its effectiveness and subsequent Annual Report. |
| MOPAC Governance and Risk Board | Attended the monthly meetings advising on those areas of improvement arising from audit reviews included in the MOPAC Governance Improvement Plan. Provided updates on the outcome of internal audit review activity and discussed and agreed the MOPAC Annual Audit Plan. Provided advice on the MOPAC Risk Management process. Monthly provision of updates on MOPAC audits including details of any emerging findings and forward planning for MOPAC audits. Provision of advice on the MOPAC risk register and risk management processes. |
| MOPAC Recovery Plan | Reviewed MOPAC Recovery Plan including provision of advice on programme management supporting the plan and a review of the Recovery Plan to identify areas to be covered as business as usual and those which were carried forward as part of the MOPAC Change Programme. |
| MOPAC Change Programme | Supporting the development and implementation of the MOPAC Change Programme, in particular, in the review of core processes and the revision of commissioning and contract management processes. Support has included advice and completion of project PIDs, advice on completion of risk assessments and design and attendance at key workshops. |
| DMPC - London Child Protection Improvement and Oversight Group | Attended the Group chaired by the DMPC advising on internal audit work undertaken in the Safeguarding area. Further work was undertaken to support the implementation of recommendations raised in the previous HMICFRS of Child Protection and to determine the impact of action taken on safeguarding outcomes. DARA review activity informed the group. |
| MOPAC and MPS Governance Alignment Decision Making/Scheme of Delegation | Throughout the year DARA attended meetings of the joint Assurance and Governance Group, advising on the revised assurance processes for alignment of the MOPAC/MPS end to end decision-making process and the conduct of a future Pilot to support a potential revision to the Scheme of Delegation. Meetings were also held with the Met team developing the approach and in particular the Assurance Certificate, which is to be tested as part of a pilot now that the design of the revised process is complete. |
| MOPAC Mayor’s Action Plan | Advisory work supporting the MOPAC team developing the Mayor’s Action Plan. This work primarily focused on the framework for developing the Action Plan and for future delivery of agreed objectives, supporting workshops, collation of outcomes and setting parameters for monitoring and reporting delivery. |
| MOPAC Oversight Framework and Analysis Group | Provision of an advisory note covering MOPAC Oversight responsibilities and the key controls required to ensure MOPAC meets statutory requirements of the Police Reform and Social Responsibility Act 2011 in overseeing the MPS. DARA attended the MOPAC Oversight Analysis Group providing advice on the further development of the oversight framework. The objective of the Group is to determine the level of effective oversight required to meet statutory obligations along with delivery of the Police and Crime Plan and how best this can be achieved. Outcomes of key audit reviews are discussed. |
| MOPAC Grants and Commissioning Framework | Provision of an advisory note covering the key risk areas which have been reviewed by DARA and advice on the key processes which needed to be implemented within the grants and commissioning framework to ensure the key controls are in place. |

| Systems Development and Control Advice | DARA Activity |
|--|--|
| MOPAC Police and Crime Plan Delivery Group | DARA supported MOPAC in developing the frameworks to monitor delivery of the PCP providing advice on governance and risk management, and issues as they arise in particular where internal audit reviews have been undertaken in areas supporting the delivery of the PCP, for example the Business Planning and Performance and Oversight frameworks. |
| MOPAC Risk Management Framework | Advised on the refresh of the MOPAC risk register, following the previous exercise conducted in facilitating workshops with representatives from across MOPAC, conducting a bottom up top down review helping to embed effective risk management in key processes. |
| MOPAC Capacity and Capability | Advised on the continued review and development of MOPAC capacity and capability in supporting delivery of the PCP ensuring issues raised in DARA reviews are addressed – advising and supporting the implementation of the external reviews of the Programme Management and Grants and Commissioning Frameworks now being taken forward under the Change Programme. |
| Planning for Next Police and Crime Plan | Advising on the revised framework to support the next PCP, ensuring lessons learnt from review activity formed part of the planning process. |
| MOPAC Workforce Transformation | Attended and advised the steering group supporting workforce transformation, establishing the framework and practices to support future agile working on the return to the workplace and following the relocation from City Hall. |
| MOPAC GDPR – Document Retention and Storage | Provision of control advice on MOPAC document storage processes to support the relocation of MOPAC from City Hall giving guidance on electronically stored documents and the retention and disposal of documents. |
| MPS Management Board Risk and Assurance | The Director attended the quarterly meetings of the Board reporting progress on the internal audit plan for 2020/21 and advising the Management Board on the effectiveness of governance, risk management and assurance arrangements and on key risks/issues emerging from review activity. The Board also considered and agreed the risk based Internal Audit Plan for 2021/22 aligned to Met strategic objectives. |
| Child Protection and Vulnerability Board | Attended regular meetings held and advised on the governance arrangements supporting the implementation of agreed actions and the wider governance issues relating to Child Safeguarding. This included support to the Data Quality Ethics Assurance Board in developing a framework for local BCU assessment and review of performance within each safeguarding strand. Provided independent control advice on the evaluation of the Project Aegis Proof of Concept, aiming to improve local delivery of safeguarding activity. |
| Data Quality Ethics and Assurance Board – level one assurance framework | DARA worked with the Met to scope the potential for the provision of a level one assurance framework within the primary and secondary investigation area. This is in response to suggestions made by HMICFRS and by DARA and builds on the Data Quality, Ethics and Assurance work already in place within Public Protection. Key aim is to ensure this work complements existing level two assurance work and helps to strengthen front line ownership, understanding and delivery of assurance over the achievement of investigative objectives. |
| Public Protection | DARA provide ongoing risk and control advice within the safeguarding area. This included input to the work undertaken to improve performance around MISSING persons including ensuring that LRTs provide effective support to Duty Officers, ERPTs and MISSING investigation teams. Initial work identified ongoing challenges in this area around policy compliance, resilience |

| Systems Development and Control Advice | DARA Activity |
|---|---|
| | and work-flow interfaces and is helping to provide an evidence base for the options being considered. DARA also provided independent advice on the evaluation of the Project Aegis Proof of Concept, which is to be rolled out across BCUs. |
| MPS Safeguarding Delivery Framework | Mapped out a generic key control framework supporting an end to end investigative framework. This sets out the key interventions necessary at each stage of the process to provide assurance over the effective delivery of safeguarding outcomes and supports the Op Aegis performance model currently being piloted on one BCU. Advised on the work initiated by the team to build first line resilience and assurance within the frontline Safeguarding portfolio, culminating in the creation of local assurance boards. Advised on development of a suite of generic outcome measures linked to Safeguarding priorities. |
| OSS/Fleet Programme Board | Attended the Fleet Programme Board, which is developing the future operating model for the Met. DARA advised on the programme management and ensured key lessons learnt from previous review activity were being addressed. |
| Strategic Crime Incident Recording Group (SCIRG) | Attended the quarterly meetings advising on improvements to the governance framework regarding Crime Data Integrity. The Group continued to review progress on the implementation of HMICFRS and DARA recommendations for crime recording. |
| Health, Safety and Wellbeing Board | Attended the quarterly Board meetings to advise on audits that impact on Health and Safety of Police Staff and Officers. Issues discussed included management of risk across business groups and management of COVID-19, and the follow up reviews of the management and implementation of the Wellbeing Strategy and the Occupational Health Contract. |
| Estates Strategy and Delivery | DARA attend the monthly Property Services Directorate (PSD) Next Generation Steering Group in an advisory capacity and the PSD Next Generation Executive Oversight Group, advising on lessons learnt from previous review activity and risk and control issues as the model is developed going onward. Worked in liaison with the Estates CMT to refresh the CRSA approach and assessment. |
| Fraud Forum | Chaired by the Chief Accountant and Commander DPS and attended by DARA with representatives from across the Met. Aims to support effective fraud risk management and oversees delivery of an updated action plan in support of the Anti-Fraud Strategy. DARA advised on the revised TOR developed to support the work of the Forum and on the revision and implementation of the Anti-Fraud Strategy. DARA follow up review of counter fraud arrangements informed planned activity. |
| Overtime/CARMS Gold Group | The Gold Group was set up to address the corporate issues DARA identified in the Management of Police Overtime review. This included the requirement for more scrutiny of; the need for overtime, unelected overtime, late claims not submitted via CARMS and highest earners. DARA continued to liaise with members of the Chair of the Group to advise on action being taken in response to the DARA review of Overtime. |
| Procurement and Commercial Framework | Throughout the year, continued to advise and support the strengthening and development of the Met's Commercial framework, liaising with the Director of Commercial Services supporting the implementation of the Commercial Blueprint and CLM, ensuring lessons learnt from DARA reviews are embedded in the revised process. |
| MPS Corporate Assurance Framework | The need for an overarching Met assurance framework remains, although there have been key developments during the year DARA has advised on strands of activity that are underway to further develop first and second line assurance provision, which has been particularly evident in the operational area of safeguarding. |









| Systems Development and Control Advice | DARA Activity |
|---|--|
| Organisational Learning – Underlying Risk and Control Issues | DARA’s annual work programme provides learning insight across all areas of the Met’s business by evaluating the effectiveness of its risk management, internal control and governance arrangements. Suggested actions, arising from assurance or advisory work, seek to address the risk and control issues identified and provide a key source of analysis to inform organisational learning at strategic and tactical level. This year DARA have worked with the Directorate of Strategy to identify underlying risk and control issues that arise to assist in taking more effective action from a corporate perspective. |
| Business Unit SLT Liaison | DARA attend regular meetings with key stakeholders including with senior managers in Finance and DPS to discuss areas of common interest. The development of the data analytical programme, output/outcomes from respective reviews and progress against the audit plan were key themes. A memorandum of understanding between DPS and DARA was developed and advisory work supported the development of a revised Whistleblowing Policy. |
| Covert Control Environment | DARA provide ongoing advice and assistance in this area includes verification work in support of the External Auditors annual audit programme. |

| Counter Fraud Work | DARA Activity |
|--|---|
| National Fraud Initiative (NFI) and Investigative Reviews | <p>Finalisation of 2018/19 NFI Investigations Total recoveries for the 2018/19 NFI exercise stand at £217k. The remaining cases were completed this year, with 20 recoveries totalling £67k for 2018, and a further three confirmed erroneous duplicate payments with £22k recovered. Four pensioner overpayments remain in active recovery, totalling £9.3k.</p> <p>NFI 2020/21 Exercise A total of 6,101 matches referred for the biennial 2020/21 exercise in February 2021 a 64% increase from the last initiative attributable to an increased period of creditor data submitted. For the previous exercise due to the move to SSCL only nine months of data was supplied, for the current exercise it returned to the usual 36 months.</p> <p>There was a marked decrease in pensions matches, (2,487 to 743) which is mainly attributable to a significant decrease in the number of pensions matches to police service injury benefits. There was also a significant decrease in the number of payroll matches (268 to 60), largely due to MOD reservist payroll inclusion in 2018/19, resulting in matches where there were no frauds.</p> <p>NFI 2021 Investigation Work on the 6,101 NFI matches focussed on payroll and pensioners and creditors with the highest NFI risk rating. A total of 1,056 matches were reviewed and closed with 75 matches under investigation by Counter Fraud.</p> |

| Counter Fraud Work | DARA Activity |
|--|---|
| | <p>Of the 743 Pension Matches, 173 have been cleared with no issue, 41 are under investigation and 529 remain under initial review by SSCL / external provider. Of the 60 Payroll Matches, 50 have been cleared with no issue and the remaining 10 are under investigation. There were 5,298 Creditors Matches with 833 cleared with no issue, 24 under investigation and two erroneous duplicate payments totalling £51k recovered. Review of remainder of matches commenced with 203 categorised as high risk.</p> <p>NFI Police Officer Pensioners MPS voluntarily participated in November 2019 intervening exercise for pensioners data matching to DWP deceased records. Matches were referred late 2019/20 with investigation or recovery continuing into 2020/21 for 17 pensions that remained in payment without notification of the pensioners' death. Thirteen pensioner overpayments totalling £86.5k were recovered and four pensioner overpayments remain in active recovery, totalling £9.3k. Voluntary participation will continue each year as the number of matches has remained constant, although the value of overpayments has significantly reduced.</p> <p>Generalist Investigations The Counter fraud team are assisting DPS colleagues in the conduct of a fact finding procurement review in support of a Whistleblowing inquiry.</p> <p>Following an MPS Pensions and outsourced pension provider exercise to obtain confirmation of continued entitlement to pension payments, CF assisted by tracing or confirming death of 52 pensioners who did not respond and whose pensions had been suspended. Liaison with DPS Intel and FIU has continued and included investigation of thefts from police stations (ten cases totalling £20k) and joint analysis of expense claims and Barclaycard use, which lead to three arrests of two Specials, £28k and £14k, and a Designated Detention Officer (DDO) £6k.</p> |
| <p>Fraud Prevention Strategy and Training</p> | <p>DARA advised on the revised MOPAC/MPS Anti-fraud and Corruption Strategy attending the Met Strategic Fraud Board every six weeks with DPS, Finance and Commercial senior management attend. CF and Audit liaison with DPS Intel was formalised with a corresponding six weekly DARA DPS Tactical Forum, which revised the fraud risk assessment with Met specialists invited to the discussion where relevant. The corporate ownership of each risk has been identified and reported to the Strategic Fraud Board and will support the roll out of the risk assessment and integration with the corporate risk management approach.</p> |
| <p>Analysis of Key Financial Systems and DATA</p> | <p>DARA and DPS FIU staff liaise, train jointly and work together on analytical reviews including the expense and Barclaycard systems. This includes liaison with Commercial Services, Met Payroll and SSCL teams.</p> <p>DPIA to support the analytical work programme is near completion. Although access to Expenses and Barclaycard data was obtained, direct access to supporting documents held on these systems has not been possible for Expenses and was achieved for Barclaycard in June 2021. Analytical work on Expenses and Barclaycard will continue in 2021/22. Early analytical procurement work is taking place on one quarters procurements below the £5k threshold, (these require one quote from the supplier).</p> |

ASSURANCE CRITERIA

Audit Assurance

| ASSURANCE RATING | ASSURANCE CRITERIA | BUSINESS IMPACT | CONTROL | |
|------------------------------|---|--|---|---|
| | | | Design | Application |
| Substantial Assurance | The control framework is sound and operating effectively to mitigate key system risks. | Risks are managed effectively to provide assurance that business objectives will be achieved. |  |  |
| Adequate Assurance | The control framework is adequately designed although some controls are not operating effectively to mitigate key system risks. | Risks are generally managed effectively although some improvement in the application of controls is required. |  |  |
| Limited Assurance | The control framework is not designed adequately and a number of key controls are absent or are not operating effectively to mitigate key system risks. | Risks are not being managed adequately with improvement in the design and application of controls required to achieve business objectives. |  |  |
| No Assurance | The control framework is not in place and existing controls are not operating effectively to mitigate key system risks. | Risks are not being managed, and significant improvement to the overall control environment is essential to achieve business objectives |  |  |

Glossary of Terms

| | |
|---------|--|
| AGS | Annual Governance Statement |
| BCU | Basic Command Unit |
| CFO | Chief Finance Officer |
| CHS | Call Handling System |
| CIPFA | Chartered Institute of Public Finance and Accountancy |
| CPIC | Continuous Professional Improvement Command |
| CRIS | Crime Recording System |
| CRSA | Control Risk Self Assurance |
| DA | Domestic Abuse |
| DARA | Directorate of Audit, Risk and Assurance |
| DAC | Deputy Assistance Commissioner |
| DMPC | Deputy Mayor for Policing and Crime |
| DP | Digital Policing |
| DPIA | Data Protection Impact Assessment |
| DPS | Directorate of Professional Standards |
| DQ | Data Quality |
| DQEAB | Data Quality Ethics and Assurance Board |
| EDA | Evidential Data Archive |
| ERPT | Emergency Response and Patrol Team |
| EQA | External Quality Assurance |
| FMCP | Financial Management Code of Practice |
| GDPR | General Data Protection Regulation |
| GLA | Greater London Authority |
| HMICFRS | Her Majesty's Inspectorate of Constabulary, Fire and Rescue Services |
| HR | Human Resource |
| IAR | Information Asset Register |
| ICF | Intelligent Client Function |
| ICFS | Institute of Counter Fraud Specialists |
| ICO | Information Commissioner's Office |
| IOPC | Independent Office for Police Conduct |
| ICT | Information and Communication Technologies |
| IT | Information Technology |
| I&D | Inclusion and Diversity |
| KPI | Key Performance Indicator |
| LCJB | London Criminal Justice Board |
| LCRB | London Crime Reduction Board |
| LRT | Local Response Team |
| L&D | Learning and Development |
| MASH | Multi Agency Safeguarding Hub |
| Met | Metropolitan Police Service |
| MOPAC | Mayor's Office for Policing and Crime |
| MPS | Metropolitan Police Service |
| NFI | National Fraud Initiative |
| NSPIS | National strategy for Police Information Systems |
| OCU | Operational Command Unit |
| OL | Organisational Learning |
| PCC | The Police and Crime Committee |
| PCP | Police and Crime Plan |
| PEEL | Police Effectiveness, Efficiency and Legitimacy |
| PIB | Portfolio Investment Board |
| PMG | Programme Management Group |
| POCA | Proceeds of Crime Act |
| PPIP | Public Protection Improvement Plan |
| PSIAS | Public Sector Internal Audit Standards |

Glossary of Terms

| | |
|------|------------------------------------|
| PSOP | Police Standard Operating Platform |
| QA | Quality Assurance |
| RAB | Risk and Assurance Board |
| RUI | Release Under Investigation |
| SIAM | Service Integration and Management |
| SO | Specialist Operations |
| SOH | Single Online Home |
| SSCL | Shared Services Connected Ltd |
| SLA | Service Level Agreement |
| TSG | Territorial Support Group |
| VRU | Violence Reduction Unit |