

**MOPAC**

MAYOR OF LONDON  
OFFICE FOR POLICING AND CRIME



# **MPS-MOPAC JOINT AUDIT PANEL BRIEFING**

## **4th July 2022**

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### **MPS Counter Corruption Strategy**

Report by: Commander Jon Savell DPS

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#### **Report Summary**

##### **Overall Summary of the Purpose of the Report**

This paper will outline the following points as requested by the panel;

1. How the Anti-Fraud, Bribery and Corruption Strategy and the Counter Corruption Strategy align
2. Set out the plans and framework supporting their delivery and how this is overseen in the MPS.
3. Set out the key issues arising from the HMICFRS Report on Counter Corruption and plans to address them.
4. Action to address issues raised in the report of the Daniel Morgan Independent panel (DMIP).

##### **Key Considerations for the Panel**

To note the progress and implementation of recommendations made by HMICFRS and the introduction of the MPS Counter Corruption Board (CCB) with governance of the MPS "STUDIOS" model adopted from the NPCC Anti-Corruption Group.

##### **Interdependencies/Cross Cutting Issues**

Nil

#### **Recommendations**

The Audit Panel is recommended to:

- a. Note how the Anti-Fraud and Corruption strategies align
  - b. Note update against HMICFRS & DMIP recommendations
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## 1. Supporting Information

### Governance Overview

Governance in this area is interdependent on a number of separate boards and working groups, some with overlapping areas of responsibility.

#### *Fraud Strategic Oversight Board*

Responsible for The MOPAC and MPS Anti-Fraud, Bribery & Corruption Strategy

#### *The Counter Corruption Board*

Responsible for the delivery of the strategic risk analysis to the MPS and the Action plan to mitigate those identified risks in the following seven National Strands. (DAC Javid)

#### *Counter Corruption Learning Group (CCLG)*

T/AC Pearson provides strategic direction through the HMICFRS Counter Corruption Learning Group. This meeting is supported at Chief Officer or Director level for each theme requiring action within the report

### 1. ***How the Anti-Fraud, Bribery and Corruption Strategy and the Counter Corruption Strategy align.***

- 1.1. The MPS has developed a joint Anti-Fraud, Bribery and Corruption Strategy and a supporting response plan with MOPAC. The strategy was recently refreshed in 2021.
  - 1.2. The Fraud Strategic Oversight Board (SOB) was established to oversee the implementation of the strategy and response plan and governance around counter fraud activity across the MPS. The SOB is jointly chaired by the Commander for the Directorate of Professional Standards (Cmdr Jon Savell) and the Chief Accountant (Paul Oliffe). The board includes DARA representatives, financial services, DPS and procurement.
  - 1.3. Sitting under the SOB is a working group to support with research and actions, the 'Tactical Liaison Forum' (TLF). The TLF are responsible for maintaining the fraud risk wheel for MPS, as well as making recommendations for organisational learning opportunities.
  - 1.4. More recently, the MPS has developed an overarching Counter Corruption Strategy overseen by a newly formed Counter Corruption Board (CCB) led by DAC Javid, which takes a wider strategic view using the NPCC Anti-Corruption model to provide a more holistic approach to engage MPS and external stakeholders to tackle corruption.
  - 1.5. Whilst there is not a formal reporting line between SOB and CCB, the work of the SOB reports into the CCB via the Theft and Fraud strand. The Chair of the
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SOB is the co-lead on the Theft and Fraud strand. This ensures that there is no duplication of effort between the related boards.

1.6. The Fraud Strategic Oversight Board and the Counter Corruption Board will report into the People Learning Board (PLB) by exception or request. The PLB is chaired by the Deputy Commissioner and is attended by Management Board members. In addition the chairs of both the SOB and CCB update Professionalism COG chaired by AC Professionalism on any high risk issues.

**2. Set out the plans and framework supporting their delivery and how this is overseen in the MPS.**

2.1. The framework to the Counter Corruption Board is broken down into seven distinct “STUDIOS” strands each led by a DPS Superintendent, See model below.

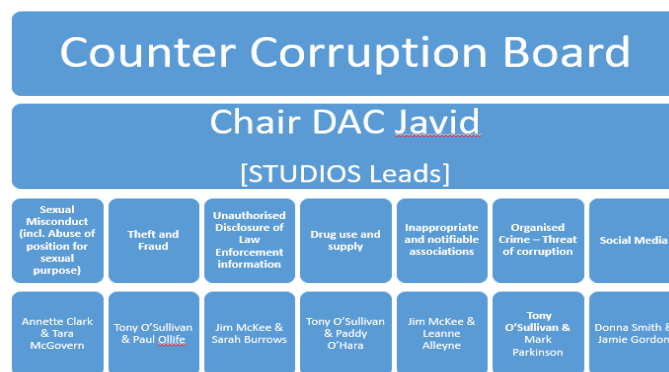


Fig 1- STUDIO Strand Leads

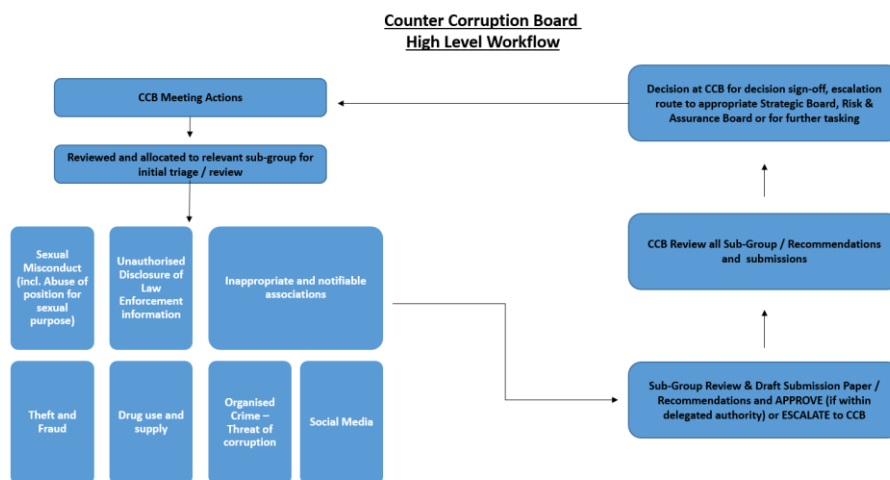


Fig 2 Counter corruption Board High Level Workflow

2.2. Prior to the HMICFRS counter corruption report, work had already commenced on strengthening intelligence and operational tasking on all STUDIOS threats, particularly on Theft and Fraud, along the 4xP model ~(examples below)

2.2.1. PREVENT

2.2.1.1. MPS Anti-Fraud Strategy

2.2.1.2. Unmanageable debt policy, with early intervention -Employee support and wellbeing programmes

2.2.2. Effective auditing, stock management and destruction procedures

2.2.3. Financial Vulnerability/Austerity analysis - Behaviours such as excessive gambling, substance misuse and living a lifestyle in excess of financial means can lead to financial vulnerability/unmanageable debt.

2.2.4. PURSUE

2.2.4.1. Analysis of data from finance, HR & procurement for holistic overview of assets, purchases and usage

2.2.4.2. Spot checks and monitoring of expense/overtime claims

2.2.4.3. Covert technical capabilities, including Intelligence led integrity testing

2.2.4.4. Collaborative working with partners (Financial sector, HMRC and UKSS)

2.2.4.5. Effective intelligence development on Suspicious Activity reports (SARS)

2.2.4.6. Effective auditing and user monitoring capability

2.2.5. PROTECT

2.2.5.1. Provision of high security controls in areas of high risk such as criminal property stores

2.2.5.2. Financial Vetting - access to Financial Investigators with the capability to do financial enquiries.

2.2.5.3. Business Interests, Gifts and Hospitality, outside Business Interests (BIs) and secondary occupations where a conflict of interest may occur or where an employee can be seen to use their position in Law Enforcement to benefit can compromise impartiality and trust.

2.2.5.4. Procurement policy and due diligence checks.

2.2.6. PREPARE

2.2.6.1. Behavioural/Personal Vulnerability- Inappropriate behaviour which increases employee susceptibility to bribery increases corruption vulnerability such as, subject to misconduct proceedings and complaints, have a history of poor performance and/or high levels of sickness are more susceptible to corruption.

2.2.6.2. Auditing and investigation capability

2.2.6.3. Covert investigation capability

2.3. This has included the appointment of a bespoke analyst for each STUDIOS threat and the development of an MPS strategic risk assessment, against which the MET action plans are being finalised under DPS Superintendent Leads. This risk assessment informs the regional policing and national Risk Assessment set by the National Crime Agency (NCA).

2.4. In addition, the Professional Standards Transformation Project, which also commenced prior to the HMICFRS inspection, is progressing to deliver

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effective tasking of proactive investigations and prevention and learning against STUDIOS threats.

- 2.5. A DPS monthly tasking and coordination meeting is being developed which will prioritise the deployment of proactive resources against assessed threat and risk, as well as prevention and learning, which may be thematic or in relation to a specific unit or business area identified as being vulnerable to corruption. This will be replicated with local tasking. Following a review of Professional Standards Units, recommendations are to be submitted on the future operating model. One recommendation, also included in the HMICFRS report, is for PSU's to hold monthly 'intelligence meetings' to identify and put in place mitigations in respect of officers and staff who are assessed to present a high corruption risk. This assessment will be based on a variety of data sets, including overtime and expense claims.
- 2.6. The Counter Corruption Learning Group (CCLG) is due to conduct a full review of Counter Corruption Intelligence, incorporating the recommendations relating to wider sharing of intelligence internally and as well as the recommendation relating to partnership intelligence sharing. DPS have suggested the adoption of the Multi-Agency Risk Assessment Conferences (MARAC) model might be appropriate. <sup>1</sup>
- 2.7. Work has been undertaken by Frontline Policing to significantly improve records on declarable associations, gifts and hospitality and business interests, which is informing wider work under the Transformation Project. A pilot for this new "change in circumstances form" will begin w/c 20/06/22 at South East Basic Command Unit, supported by a vetting team who will be based on site to assist. These factors were highlighted in the HMICFRS report primary indicator for risk of Fraud and Bribery. The Gifts and Hospitality policy has already been amended to make clear that gifts or cash are never acceptable.
- 2.8. In addition to the above, the recording of gifts and hospitality will come under the governance of the local OCU Commander for publication on the Met website. This will be supported by DPS dip-sampling.
- 2.9. The Declarable Associations policy is being amended to reflect HMICFRS recommendations, including consideration of inclusion of journalists. A paper on this topic will be presented to the CCLG on 16/06/2022 by DSU McKee, head of DPS Intelligence.
- 2.10. Force-wide Command Assessments are being introduced in July 2022. These are a self-assessment by each BCU/OCU Commander against agreed criteria. These include the effectiveness of their Gifts & Hospitality register, Declarable Association register and Business Interests register. These will be centrally reviewed and any risks identified in the management of these will be overseen through local risk registers.

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<sup>1</sup> Appendix 1.10 MARAC FAQ sheet

- 2.11. The DPS Integrity Assurance Unit monitors officers and staff assessed to be at high risk of corruption. These risks include Fraud & Bribery, for example where an officer is acquitted or has been found to have no case to answer following a gross misconduct hearing, yet there remains evidence or intelligence of suspect transactions or financial difficulties or that they are associated with criminals. Officers may be required to attend a DPS management meeting where control measures may be imposed to mitigate risks. Staff in this unit have recently been doubled to address these risks.
- 2.12. The Transformation Project will deliver enhanced mechanisms to ensure declarable associations, gifts and hospitality and business interests are reported and properly risk assessed, again supported by DPS dip-sampling. This supports the wider work being conducted in response to the HMICFRS report (see below).

**3. *Set out the key issues arising from the HMICFRS Report on Counter Corruption and plans to address them.***

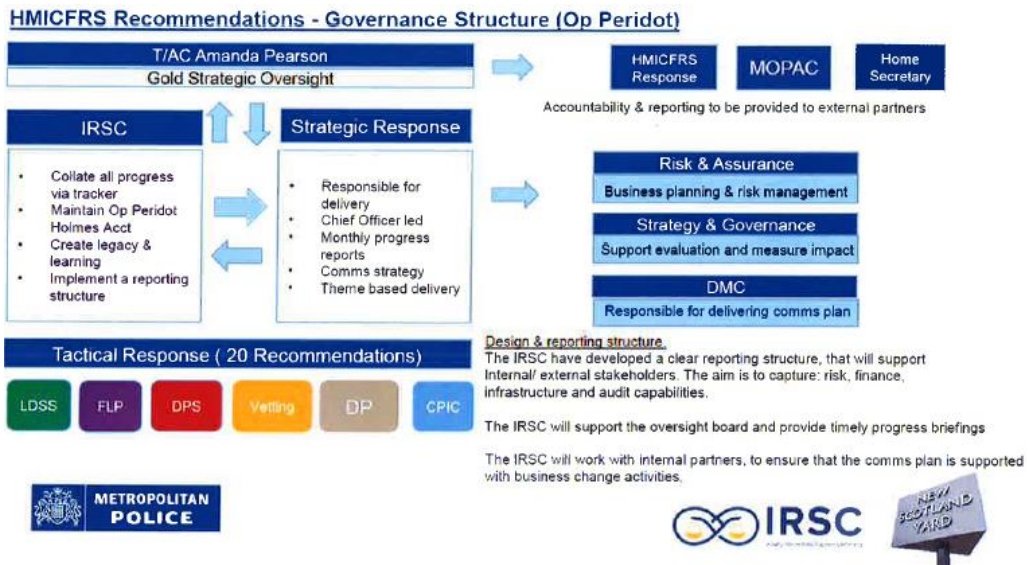
- 3.1. The HMICFRS report<sup>2</sup> contains twenty recommendations, five causes of concern and two areas of improvement. The MPS has primacy for eighteen of the recommendations. Two recommendations (number 5 and 20) are within the remit of strategic partners at the College of Policing and the National Police Chiefs' Council (NPCC).
- 3.2. On the 22 March 2022, then Deputy Commissioner Sir Stephen House publicly accepted all of the recommendations within the HMICFRS report and committed to doing so as soon as possible, led by T/Assistant Commissioner Pearson and the Inquiry Review and Support Command (IRSC). This command coordinated the Daniel Morgan Panel response and therefore provides continuity into the HMICFRS response and assurance that any ongoing delivery plans relating to the Daniel Morgan Independent Panel recommendations are fully implemented.
- 3.3. The MPS response, delivery and governance for the HMICFRS recommendations is through **Operation Peridot** overseen by the MPS Counter-Corruption Learning Group.<sup>3</sup>
  - 3.3.1. Additionally, the MPS deliver Management Board oversight of progress on learning from these recommendations through quarterly Risk and Assurance Board meetings. (Governance Structure below).

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<sup>2</sup> Appendix 1.2

<sup>3</sup> Appendix 1.6 - The terms of reference Op Peridot.

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3.4. Through the CCLG, along with work that was already underway to drive improvements, has seen a structured response around key themes and ensured that plans are developed to implement the Inspection recommendations by **31 March 2023**. Strategic leads have been appointed to each theme and progress is tracked by the CCLG & Risk and Assurance board.

3.5. In parallel to developing and driving sustainable changes in light of this Inspection, we have taken swift action to address immediate concerns. For example:

3.5.1. **Property security** - we have appointed Commander Alexis Boon to manage the operational response and ensure remedial activity has been undertaken across the all basic command units in the Met. This has included conducting a comprehensive sweep across all frontline policing premises to identify and account for property outside of a property store. This identified and secured 6000 items of property, 92 officers or staff were provided with reflective learning and 3 referrals were made to Professional Standards. The learning from this is reflected in a new property supervision process, and property management has been included as key performance information within our frontline policing performance framework.

3.5.2. **Gifts and Hospitality (G&H)** – It is acknowledged the potential of bribery and corruption risk posed to staff from gifts and hospitality. The MPS has made immediate amendments to the Gifts and Hospitality Policy to make it clear that gifts of cash should never be accepted. In addition oversight of this policy will move from a local level to a central register held by the DPS intelligence to proactively review possible conflicts or risks posed to staff from external influence. Responsibility to enforce the reporting of G&H will remain with local senior management to drive intelligence in this area and to prevent inappropriate G&H from being accepted. In addition we are working with the College of Policing to support them in making that change to the National Counter-Corruption (prevention) Authorised Professional Practice.

3.5.3. **Business Interests and Declarable Associations** - We have check tested 8642 business interest and declarable association conversations with staff. This identified an unreported 199 business interests, now all declared. The Professional Standards transformation project is adopting learning from this project to implement a sustainable force-wide solution that ensures compliance and consistency with this policy. Similar to the Gifts and Hospitality process this will be centrally recorded and tracked at monthly Professional Standards Unit 'intelligence tasking meetings' to monitor areas of identified risk. Additionally the DPS Integrity Assurance Unit manages all declared associations that present a risk to a member of staff or to the MPS through a tailored set of restrictions and instructions, supported by training of PSU staff on assessing and managing these risks.

3.5.4. **Organisational Learning** - The HMICFRS made significant comment on the MPS ability to learn and the pace at which it does so. Learning remains a priority for the MPS and is one of the seven key strands of the Met Direction strategy. The Met's Corporate Organisational Learning function (OL&R) is established within CPIC, comprising an OL implementation team and a Research Faculty. The team is responsible to Board for the design and implementation of OL in the Met, for thematic analysis and for oversight of corporate memory and assurance.<sup>4</sup>

Corporate OL&R has defined 37 OCU learning environments and 12 BCU, nominated as OL Hubs, which operate as a single point of contact to analyse, grip and action learning and improvement information. Each behaves as a channel in to, out from and between OL hubs.

Pilot sites are refining the framework and setting the information flows to capture, escalate and socialise learning and to build a recordable corporate memory. Work is underway with Digital Policing application developers supported by Microsoft to design a consistent platform through MS365, SharePoint and an OL app, to provide a single OL system.

Our design parameters are to provide capability to submit, search for and hold learning as corporate memory across the organisation through a unified and intuitive platform. This, if established, will be amongst the first open enterprise systems managed systemically for OL. We anticipate several stages of work across 12-18 months.

Issues identified and action required will be owned by the relevant Head of Profession for the relevant portfolio i.e. improvements to investigative practice fall to the Head of Profession for Investigation. Heads of Profession collate learning for their area and oversee changes into 'business as usual'.

3.6. At Annex 7 is the HMICFRS plan of action which details individual recommendations and the current status of activity together with the anticipated likelihood of meeting the 31/03/2023 target deadline. (*n.b. This is*

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<sup>4</sup> Appendix 12 MPS Organisational Learning Board April 2022 Briefing Note.



*a living document and is subject to change. It is requested that this document not be shared outside of the Audit panel)*

- 3.7. We are conscious not to treat these as standalone recommendations, and work is already underway to identify and consider other findings or existing recommendations from HMICFRS reports and other reviews (e.g. Operation Rainier, PEEL 2018/19 and PEEL spotlight report: “Shining a light on Betrayal”).<sup>5</sup>
- 3.8. HMICFRS are currently undertaking a National Thematic inspection into corruption. The findings from this will be incorporated into the Operation Peridot Governance structure.
- 3.9. The MPS is fully committed to implementing the recommendations and ensuring we have an effective system to track and evaluate the effect. Funding has been secured for the appointment of a project manager who will look at assumptions, timelines, actions, milestones, interdependencies, to develop a streamlined plan working with parallel DPS developments.
- 3.10. T/Assistant Commissioner Pearson has responsibility to report to the Risk & Assurance Board and MOPAC on a quarterly basis and providing more detailed updates on the activity. MOPAC are updated as they are part of Audit Panel. This will include identifying and assessing resource and financial requirements and to what extent they impact the implementation of the plan. Risk and Assurance Board also has an overview of HMICFRS and DARA findings, and that is also something our joint audit panel consider quarterly. In addition T/Assistant Commissioner Pearson reports quarterly to HMICFRS (next report due Sept 22). The Home Secretary has received an assurance that this work will remain on track and there is now no requirement to provide the Home Office with further reports.

#### **4. Action to address issues raised in the report of the DMIP.**

- 4.1. On 23rd June 2021, the Commissioner appointed Deputy Assistant Commissioner (DAC) Barbara Gray as the strategic lead responsible for the MPS response to the DMIP Report, under the title of **Operation Drayfurn**.
- 4.2. The Op Drayfurn team had the overarching aim to:
  - Consider fully the recommendations and wider learning from the DMIP report, and ensure that all necessary action and learning is taken and applied across the MPS in an open and transparent fashion.
  - Reflect and embed our commitment to the Met Direction vision to be the most trusted police service in the world and to keep London safe for everyone particularly through the priority areas of trust and confidence.

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<sup>5</sup> Appendix 10 PEEL spotlight report Shining a light on betrayal

- 4.3. The MPS response to the Daniel Morgan Independent Panel was published on the 18<sup>th</sup> March 2022.<sup>6</sup>

## 5. Wider Governance and Engagement

- 5.1. To progress the Panel recommendations and wider findings, the MPS established a clear governance and engagement framework to support the response and collaborative work with a range of other organisations named in the Report.
- 5.2. In addition, Operation Drayfurn provided regular updates to the Mayor of London and to the Home Secretary and brought in challenge from outside the MPS's formal accountability structures. Those structures included;

### MPS Structures:

- **Diamond Group** – Diamond Groups provide the most senior group possible, chaired by the Deputy Commissioner to provide Management Board oversight included senior representatives from across all MPS business groups.
- **Strategic Board** – this was a monthly meeting chaired by DAC Gray with numerous senior stakeholders to provide strategic direction and leadership to ensure the recommendations and wider themes were actioned and embedded in the MPS and nationally where applicable. Attendees included representatives from
  - Home Office
  - Continuous Policing Improvement Command (CPIC)
  - Directorate of Professional Standards (DPS)
  - Specialist Crime Directorate (SCD)
  - Learning and Development (L&D)
  - National Police Chiefs' Council
  - College of Policing
- **Operational board** – was a weekly performance meeting to monitor, review, record and action ongoing work. Attendance included the;
  - Drayfurn team
  - Strategy and Governance (including HMICFRS liaison)
  - Directorate of Legal Services (DLS)
  - Directorate of Media and Communications, (DMC)
  - Directorate of Professional Standards (DPS) as required.
- **Professional Reference Group (PRG)** – Recognising that external challenge and openness and transparency is critically important, DAC Gray secured the support of a range of stakeholders and members independent of policing to provide strategic advice, guidance and constructive challenge.

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<sup>6</sup> Annex 8 - MPS Daniel Morgan independent panel response

The Group met six-weekly, which proved invaluable in supporting wider organisational learning with a focus on broader issues that impact trust and confidence in policing.

- Membership included representatives from:
  - Central Race Independent Advisory Group (IAG)
  - Directorate of Professional Standards (DPS) IAG
  - Basic Command Unit (BCU) IAG
  - London Policing Ethics Panel
  - Academia
- Meetings discussed specific themes, including ‘Institutional Corruption’, Vetting, Organisational Learning, Declarable Associations and Disclosure and Transparency.
- **Academic Workshop** - As an outcome of a discussion at the Professional Reference Group, Professor Allyson MacVean, of Policing and Criminology facilitated an academic workshop in November 2021 to further expand on the understanding of the concept of ‘institutional corruption’ which the Panel set out in their report. A paper<sup>7</sup> on the findings has been produced independently by Professor MacVean and assisted in the MPS approach and learning from the Panel report.
- **Governance for the MPS Organisational Learning and Research** - This function is provided through a quarterly strategic Organisational Learning Board, which has three priorities:
  - To develop an effective organisational learning environment in the MPS to identify, capture and socialise learning into action to improve future capability and innovation;
  - To provide oversight to assure Management Board, senior leaders and Heads of Profession that our organisational learning environment effectively meets ongoing aspirations; and
  - To drive robust research and evaluation in the Met, and promote collaborative evidence based behaviours to continuously improve operational practice.
- MPS Organisational Learning implementation is focused on four areas:
  - Developing 47 OL Hubs across the MPS;
  - Systemising information, knowledge and memory and developing a consistent platform;
  - Learning from high harm/risk: Gold Groups, HMICFRS, IOPC, Coroners Inquests;
  - Embedding a culture of learning: the MPS has commissioned and implemented a five year OL behavioural project with partners at the Open University.

## 6. Equality and Diversity Impact

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

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<sup>7</sup> Appendix 11 The Daniel Morgan Report and Institutional Corruption Workshop

**7. Financial Implications**

There are no direct financial implications arising from this report.

**8. Legal Implications**

There are no direct legal implications arising from the report.

**9. Risk Implications**

There are no direct risk implications arising from the report.

**10. Contact Details**

- DAC Bas Javid, MPS
- Chief Accountant Paul Oliffe, MPS
- Commander Jon Savell, MPS

**11. Appendices and Background Papers**

1. The Report of the Daniel Morgan Independent Panel published 15 June 2021.
  2. HMICFRS - An inspection of the Metropolitan Police Service's counter-corruption arrangements and other matters related to the Daniel Morgan Independent Panel - Published March 2022
  3. MPS Anti-Fraud Response Plan (updated February 2021)
  4. Counter Fraud Strategy - final - revised 2021
  5. MPS Counter Corruption Learning Group Operational Briefing
  6. Terms of Reference Operation Peridot
  7. HMICFRS plan of action – MOPAC
  8. MPS Daniel Morgan independent panel response
  9. Multi-Agency Risk Assessment Conferences (MARAC) FAQ's
  10. PEEL spotlight report Shining a light on betrayal
  11. The Daniel Morgan Report and Institutional Corruption Workshop
  12. MPS Organisational Learning Board April 2022
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