

MOPACMAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

MPS-MOPAC JOINT AUDIT PANEL

27 July 2020

MPS Annual Governance Statement

Governance Improvement Plan

Report by the Met Director of Strategy and Governance

Report Summary

Overall Summary of the Purpose of the Report

The Annual Governance Statement is a statutory requirement and is included every year with our accounts (shared with Grant Thornton in May and audited during June and early July). To strengthen governance and processes, a governance improvement plan is developed in the areas identified as requiring improvement. Progress updates on the plan will be tabled at Audit Panel on a quarterly basis.

Key Considerations for the Panel

Our 2019-20 internal control review (March 2020) and Annual Governance Statement assessed the robustness of governance controls across the framework and progress against all improvement areas. The final draft Annual Governance Statement (AGS) 2019-20 is attached which reports on progress last year against our governance improvement areas. It also highlights areas where there remain issues.

This year we have worked to align the AGS more closely with our corporate risks. In addition, we have sought to simplify the document to highlight priorities more clearly and to help us better drive improvement.

Interdependencies/Cross Cutting Issues

- The Met's Improvement Areas and Plans should be considered alongside MOPAC's (both organisations are corporations sole), our DARA's annual report and our external auditors VFM report.
- The Corporate Risk Register identified operational and structural risks. In many areas, these include governance issues also identified by Met assurance processes.

Recommendations

The Audit Panel is recommended to:

- a. Endorse the Annual Governance Statement, and note 2019-20 progress against the governance improvement areas
- b. Note the governance improvement areas for 2020/21 onwards
- c. Note the new approach to better join-up governance improvements and corporate risks processes, in order to enhance corporate understanding and decrease duplication.

1. Supporting Information

1.1 The Met, as a corporation sole, is statutorily responsible for conducting an annual review of the effectiveness of its system of internal control and for publishing an Annual Governance Statement. The AGS reports publicly on identified key control areas and aims to provide assurance that the Met is monitoring and managing governance arrangements effectively.

1.2 The AGS reflects on current governance controls and outlines improvements in the near to medium term. Our evidence is drawn from a substantial body of material including identified progress against governance improvement areas, 65 senior leaders' Statements of Internal Control review; HMICFRS, DARA and Grant Thornton audit and inspection; the corporate risk register; the business plan; the 2019 staff survey.

1.3 In 2018, we established multi-year Governance Improvement Plans covering 10 areas. Having reviewed progress on each of these, the Risk and Assurance Board has agreed to continue and keep three unchanged (Capability, Engagement and Data). We have considerable ambitions in each of these three areas, so it is important to get governance and controls right.

1.4 The Risk and Assurance Board has also agreed to keep a further four (Decision-making, Assurance, Partnership, Compliance and Learning) but reframing them (as five areas, splitting Compliance and Learning) and focusing them to create a better corporate grip on the actual challenges.

1.5 RAB remitted to the Corporate Services three areas (Performance, Benefits and Commercial): there remains scope for further improvement, but a strong foundation was built over the past two years, which provide us confidence at the corporate level (in that we are taking an approach similar to our management of risks).

1.6 For a variety of reasons the quarterly monitoring of the Government Improvement Areas has historically lacked traction with business leads – on a quarterly basis they are also asked to update the Corporate Risks on which they lead, the progress against HMICFRS recommendations, the progress against DARA actions, and their progress on Business Plan milestones.

1.7 A quarterly update of governance improvement plans sits well with the Corporate Risk Register updates: there is a strong read-across, indeed some of our risks stem from governance or structural controls that are unclear, not in place, or in a process of change. Appendix 2 notes the area of cross over. As agreed by Risk and Assurance Board, we will henceforth process Corporate Risk Register and Governance Improvement Plans update requests in distinct sections but as part of the same document to working leads (so Leads receive comprehensive information on risk controls and governance improvements and provide a more holistic answer).

2. Equality and Diversity Impact

2.1 The model of corporate governance used by the Met is based on the principles of openness; integrity; accountability and equality. The development of the corporate governance framework promotes fair decision-making, and helps mitigate potential negative impacts in the way the Met operates.

3. Financial Implications

3.1 There are no financial implications from the report itself. There will be some costs associated with the improvements identified by the relevant unit or business group: it falls on these units or business groups to ensure the improvements they are putting forward have a corresponding identified budget. Any funding required over and above these existing budgets would be subject to the normal MOPAC/Met governance approval and planning processes.

4. Legal Implications

4.1 The Mayor's Office for Policing and Crime (MOPAC) and the Commissioner of Police of the Metropolis (the Commissioner) are relevant bodies under Schedule 2 of the Audit Commission Act 1998 for the purpose of the Accounts being subject to audit. Both are under a statutory duty to approve an Annual Governance Statement (AGS) that has been prepared in accordance with proper practices in relation to internal control through members of the body meeting or as a whole or by a committee, under regulation 6 of the Accounts & Audit (England & Wales) Regulations 2015.

4.2 In order that MOPAC and the Commissioner can discharge the statutory duty referred to above, the Met provides its certification to MOPAC by submitting an Annual Governance Statement (AGS), as recommended by CIPFA / SOLACE guidance "Delivering Good Governance in Local Government: Framework (2016)" ("The Framework") and CIPFA Guidance Notes for Police Bodies in England and Wales (2016)" ("The Guidance"), which demonstrates how aspects of governance have been implemented within the police force.

4.3 The corporate governance framework provides the supporting information which evidences that the Met will ensure it has robust systems in place that demonstrate it is adhering to the strategic direction set by the Commissioner, and is delivering good governance through the delivery of many operational and financial aspects within a delegated framework, in accordance with Guidance and best practice.

5. Risk Implications

5.1 The report aims to lower structural risks to the organisation by ensuring robust governance frameworks or action plans are put in place in the areas for improvement it identifies. Progress will be monitored quarterly and aligned with corporate risk processes. Compliance with the governance framework will also assist in raising standards, reduce risk of legal challenge and build public confidence by ensuring the Met operates in a transparent manner.

6. Contact Details

Report author: Pierre Coinde

AGS author: Paul Clarke

7. Appendices and Background Papers

Appendix 1: 2019-20 draft Met Annual Governance Statement

Appendix 2: Areas for improvement 2020/21 on - NOT FOR PUBLICATION

Appendix 3: draft Governance Improvement Plan – NOT FOR PUBLICATION



DRAFT Annual Governance Statement (AGS) 2019/20

Commissioner of Police of the Metropolis

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Introduction

To meet the demands of policing London effectively, the Metropolitan Police Service must have in place a responsive system of governance, with clear mechanisms, processes and relationships through which the organisation is directed and controlled. This means decision-making processes and internal controls that support and strengthen our operational activity.

The Met conducts an annual review of the effectiveness of its system of internal control and publishes a statutory Annual Governance Statement (AGS) with the Statement of Accounts. This public document reports on compliance with the Local Code of Governance in identified key control areas and aims to provide assurance that the Met is monitoring and managing governance arrangements set out in the Code effectively. Our Local Code of Governance (Code) is established within the Chartered Institute of Public Finance and Accountancy (CIPFA)/ Society of Local Authority Chief Executives (SOLACE) Framework 2016 with due regard to the Met's operating environment. The overall aim is to ensure that resources are directed in accordance with agreed policy and priorities, that there is sound and inclusive decision-making and clear accountability for the use of resources to achieve desired outcomes.

This Annual Governance Statement for the 2019/20 financial year sets out the Met's current governance arrangements, including controls and processes, reports on their effectiveness during the year and outlines the areas in which we want to improve governance further over the coming year. These have been informed by the work of senior officers and staff who have responsibility for the development and maintenance of the governance environment, and in consideration of the opinion of the Director of Audit Risk and Assurance.

Overall we conclude that the Met has an acceptable system of internal control which facilitates the effective exercise of the Commissioner's functions. The Met's governance framework and arrangements can provide a reasonable level of assurance, but we acknowledge that even if all of areas were effective we would not eliminate all risk. This AGS also outlines how the Met will further improve its governance in the coming year, taking account of the opinions of the Met's internal and external auditors. **The DARA audit opinion will be issued in June 2020.**

The impact of covid-19 has been significant for Londoners, emotionally and economically. The Met has a key role to play in policing London in these times and as London adapts to new ways of living. This includes ensuring we provide a resilient service, focusing on what matters most to Londoners and preventing and detecting crime throughout this period whilst enforcing the lockdown. Our approach has from the start been guided by a 4E approach – engage, explain, encourage and only if necessary enforce - which on the whole has worked well. We have strong business continuity plans in place. As and when London moves through different phases our role will be to continue to provide a world-class policing service and to keep our streets safe. We will review our governance improvement plans to ensure that they support our structural resilience and operational strength in the new context created by the pandemic.

A) 2019/20 review of Met governance

1. Processes for setting objectives and targets that deliver on the Mayor's Police and Crime Plan priorities, and for defining strategic issues facing the Met.

Assessment: controls are established

Activity during 2019/20

The Mayor's Police and Crime Plan sets out priorities for the Mayoral term, focusing on safeguarding. The Met has published 'The Met's Direction: Our Strategy 2018-25'. It sets out long-term operational priorities, with seven key areas of focus: <https://www.met.police.uk/police-forces/metropolitan-police/areas/about-us/about-the-met/the-met-direction/>

The 2019 Grant Thornton (GT) joint audit findings review of value for money arrangements reported that arrangements to monitor and oversee the delivery of the Police and Crime Plan matured, with a robust assurance framework and improved governance arrangements. GT made two recommendations around public reporting of progress and partnership governance with the Violence reduction Unit.

The 2019 Staff Survey highlighted workforce perceptions that staff understood their part in delivering the Met Direction mission of "keeping London safe for everyone" (76%), and that the Strategy was helping us improve our performance (23%). During 2019/20 Board level strategic leads for our seven priorities steered activities, with an enhanced performance framework and strategic insight to support implementation.

The Met's 2019/20 Corporate Risk Register highlighted a short-term risk in organisational agility, specifically our need to increase environmental scanning. Activity to address this include our annual Force Management Statement (FMS) scoping future demand and drivers. Over the next year, we will develop further approaches including horizon scanning, strategic research and performance insight to inform Board strategic thinking.

2. A strategic planning framework for establishing and scheduling operational priorities, finance and resource allocations, transformational change and our roadmap to delivery.

Assessment: controls are established

Activity during 2019/20:

Corporate planning

The 2019-22 Met Business Plan (<https://www.met.police.uk/police-forces/metropolitan-police/areas/about-us/about-the-met/met-business-plan/> June 2019) defined the Met priorities in delivering against the Mayor's Police and Crime Plan, with quarterly progress updates. The 2018/19 Grant Thornton (GT) joint audit findings review of value for money arrangements reported maturing business planning arrangements, with the Met's vision aligned to a forward looking business plan. GT noted alignment of the Met Direction and Business Plan, a multi-year planning cycle and quarterly progress updates. It recommended better integration of business planning with other planning processes, notably financial planning.

The DARA Business Planning and Performance Management Framework review indicated that the Met's business planning framework had developed, aligning strategic priorities with key operational activities. There was a need to bring closer business planning and budgeting. The 2019 follow up review (Adequate Assurance) suggested that the Framework matured with more aligned business and financial planning. The FMS informed the plan. Integration of the new Performance Framework with the wider risk management and assurance frameworks would increase maturity.

The HMICFRS' 2019 Integrated PEEL inspection (Efficiency: Good) suggested that the Met was good at meeting current demand and using resources, and worked with other organisations to understand demand. The Met had an effective approach to planning for the future and had linked planning with functions such as human resources (HR) and finance.

We published the Met's second **Force Management Statement** (June 2019) articulating the demand the Met faced and our current assessment of future demand and resource (capacity and capability) to support the prioritisation of resources. <https://www.met.police.uk/SysSiteAssets/media/downloads/met/about-us/bg-to-business-plan-fms-may-2019.pdf>

Change planning

During 2019/20 the transformation portfolio focused on delivery of change to achieve the Met Direction, sequenced in a roadmap and plans. Strengthened controls and governance enhanced service delivery and benefits realisation. The objectives of the fourteen live programmes (Strengthening Local Policing closed in February 2020, following implementation) were integrated into the Business Plan, allowing key programme milestones to be tracked and reported.

The Met's 2019/20 Corporate Risk Register highlighted a risk in managing large-scale transformation. Actions in 2019/20 included a Change Heat Map across programmes; scheduled programmes and projects to meet organisational readiness; a Transformation communications plan; and work on a Met Operating Model for 2022 to coordinate functional designs and the cumulative impact of Transformation and BAU change across the Met.

The 2018/19 Grant Thornton joint audit findings review of value for money arrangements suggested that Met transformation capability continued to mature, as much of the portfolio moved to implementation. This provided a rigorous way to govern and deliver significant investment, not evident when delivered as business as usual. The review reported improved understanding of benefits management and realisation, with better application of the Benefits Management Framework.

The DARA 2019 Transformation – Business Change Framework review (Adequate Assurance) noted a well-defined business change framework, yet to be fully embedded. The strategic approach was clear but the scale of change was challenging, as were behavioural and cultural risks. The Local Change Network needed evaluating. Documentation management needed strengthening. There was an increased focus on financial and risk reporting. **The follow-up review** (Adequate Assurance) suggested that Change continued to be embedded, with progress on actions. Work was needed on an Integrated Assurance Approach Strategy, Training Needs Analysis and Transformation Communications Strategy.

Financial Planning

The control framework for financial planning supports two outputs: 1) the Medium Term Financial Plan (MTFP) that sets out revenue expenditure and funding forecasts over five years and 2) a Capital Programme which sets out planned capital expenditure and funding over that period. Controls for these included: a budget scrutiny process to identify forward revenue savings; a detailed capital planning and prioritisation process; our Scheme of Devolved Financial Management and the MOPAC Scheme of Consent and Delegation; and the Chief Financial Officer's Instructions.

We ran a clear process for business case approval - all new expenditure, subject to limits set out in schemes of delegation, was approved by the Met's Portfolio and Investment Board (PIB) and the MOPAC led Investment Advisory and Monitoring group (IAM). We operated a robust budget setting process with MOPAC; a Capital Strategy with MOPAC over 20 years; and a Reserves Strategy. CIPFA was commissioned to review financial management.

The 2018/19 Grant Thornton (GT) joint audit findings review of value for money arrangements noted a high level of uncertainty in local government medium-term financial planning. With respect to financial strategy and long term sustainability, the Met's MTFP was based on reasonable assumptions. GT suggested, the Met should strengthen scenario-planning to allow for 'better than expected' funding with a pipeline of investment projects. It noted business planning and medium-term financial planning had matured, as had use of reserves reporting.

The HMICFRS' 2019 Integrated PEEL inspection (Efficiency: Good) noted that the force set and managed budgets well. It had achieved substantial savings since 2012 but could not keep current numbers of officers beyond 2022/23 without additional funding. The Met had a good capital spending programme to support changes and plans.

Over the next year, we will continue to enhance portfolio governance, including benefits realisation. We will finalise our third Force Management Statement in Q3 2020/21, following HMICFRS change of timescale in the context of Covid-19.

3. Decision-making structures, processes and information that direct and control activity to achieve strategic outcomes and deliver on strategic plans.

Assessment: controls require some improvement

Activity during 2019/20:

The required improvements we identified included: a review of our decision making framework including non-financial delegations, roles, and responsibilities; communication of the Met's decision-making arrangements and decisions; and a streamlining of the end-to-end process and decision making with the Deputy Mayor. Some progress has been made. The **Met's 2019/20 Statement of Internal Control review** flagged the comprehension and operation of governance and decision making arrangements, with a quarter of respondents expressing issues with information or shared understanding. This is consistent with the **2019 Staff Survey** which suggested that 65% of the workforce believed they had the information they needed to make decisions. A **2020 DARA Accountability Framework - Corporate Boards, Policy and Decision Making Effectiveness** review is planned.

Executive decision-making

During 2019/20 the Met worked with MOPAC to ensure decision-making was effective and well-understood. Strong progress was made. Management Board discussions were framed around strategic (Met Direction) priorities, as were key documents. This was supported by Performance Board and other Management Board meetings - Portfolio & Investment, People & Learning, Risk & Assurance – which functioned well.

The **2019 DARA Decision Making Framework follow up review** (Adequate Assurance) assessed progress in Met/MOPAC governance, investment appraisal and assurance. The control framework supporting decision making between the Met/MOPAC had improved, with clarity in roles and responsibilities of key boards including refreshed ToR for PIB and IAM. Interdependencies between stakeholder groups needed work, as did communication of decisions. A review of PIB governance and assurance commenced to address internal assurance, MOPAC engagement and business case development. The **2020 follow up review (MOPAC & MPS)** was issued but is not yet published.

The **2019 Grant Thornton (GT) joint audit findings review of value for money arrangements** noted that the Executive Redesign was complete. Proposed outcomes included better strategic planning and insight driven decision making, and increased engagement, empowerment and decision-making across the Met. The closure report identified follow up actions including an End Term Benefits Realisation Review in 2019/20. GT noted ongoing challenges including culture change and structural change in frontline policing and in corporate services.

Financial and Investment decision making

The Mayor's Corporate Investment Board provided additional oversight in this area. The **DARA MOPAC/Met Decision Making framework - end-to-end investment decision-making review** (Adequate Assurance) suggested that the control framework supporting MOPAC / Met decision-making continued to improve in guidance, review and scrutiny, and were generally operating effectively although some, including management information, needed to improve. There was an established framework within which investment decisions were made. Roles and responsibilities of boards and key individuals in the decision-making process needed updating. The Met responded during 2019/20.

Change decision making

The Met continued to embed the roles of Portfolio Management Group (PMG) for assurance of portfolio delivery, of PIB for investment scrutiny, and of the Design Authority in approving designs for all change programmes. A process of prioritising portfolio projects was matured and existing projects were assessed against government best practice. We developed corporate guidance on programme/project management based on the Office of Government and Commerce's Management of Portfolios methodology, and steered business as usual projects to this. DARA suggested that these projects should comply with portfolio principles to ensure a consistent approach. The **2019 DARA Transformation Governance follow up review** (Adequate assurance) noted that the control framework had improved through enhanced financial analysis, risk assessment and performance reporting. Further work was required to identify and manage dependencies with a critical dependencies log.

4. Monitoring processes and data through which performance against operational, financial, change and other strategic plans is managed and key issues identified/tasked.

Assessment: controls require some improvement

Activity during 2019/20:

The **Met's 2019/20 Statement of Internal Control review** flagged gaps in performance monitoring arrangements and in information and data to drive activity. A third of respondents raised an issue with current controls.

Performance control

Required improvements identified in our **2019/20 Governance Improvement Plan** included: design and implement an organisational performance framework; map performance structures, roles and responsibilities; provide data and insight across all functions; co-ordinate with national and local partners; and professionalise analysts. Strong progress was made. New governance arrangements were embedded including oversight through Performance Group and Performance Board, and quarterly reporting through the Business Plan. Performance structures and responsibilities were mapped in the Data Office design. A self-service review was completed a new products catalogue to meet service requirements. The new Performance Framework (March 2019) identified key performance measures for each strategic priority in the **Met Direction** with a Management Board lead for each pillar. We defined performance products for flex and strand level boards against the framework. We continued in 2019/20 to create business group measures.

We enabled better co-ordination with partners through the NPCC performance group. We continued to qualify core staff skills and planned to meet the current gap. We worked towards a costed training plan, CPD, professional standards and qualifications. A skills audit and Training needs analysis (TNA) were undertaken and an analysts training programme developed with Cambridge University, with plans for an analytical apprenticeship.

The **2019 Grant Thornton (GT) joint audit findings review of value for money arrangements** reported that business planning arrangements continued to mature, including a performance framework as a means to measure progress against priorities. It recommended that this should include a balance of measures to assess progress against short term operational objectives. The Performance Framework now includes aspiration levels on operational ambitions.

Change control

The **2019 Staff Survey** flagged low perceptions around "when organisational changes were made, they were usually for the better" (14%), and "changes that directly affect the workforce were managed well" (25%). Required improvements identified in our **2019/20 Governance Improvement Plan** included: clear articulation of transformation portfolio non-cashable benefits, benefits realisation, and assurance on benefit delivery. Good progress was made.

Our portfolio benefits management framework was embedded. All improvement actions were completed, with a focus on assurance on benefits delivery and tracking outcomes in the medium to long term. Compliance with benefits review guidance at each gateway contributed. Programme benefits check point reviews and annual benefits check point reviews were active. During 2019/20 we ensured that non-cashable benefits documentation was comprehensive and categorised effectively. Our portfolio level benefits management framework supported non-cashable benefits realisation rules and processes and the benefits register remained our 'one source of truth'.

Monitoring: Robust assurance reviews at key stages in the programme lifecycle; Reports to senior leaders with full summary of programme benefits; Portfolio Benefits Register enabled oversight of all benefits; Impact of slippage monitored in the portfolio risk register; Benefits Status Reports published; Programme dashboards to Portfolio Management Group; Monthly Portfolio Report to the Portfolio Management Group and Portfolio Investment Board.

The Portfolio Management Group (PMG) served PIB, monitoring portfolio progress and resolving issues that compromised benefits realisation. The Transformation Directorate embedded corporate guidance on programme/project management. At Portfolio level, strong oversight of programme plans through standard dashboards and improved planning resulted in improved tracking and reporting of critical milestones/dependencies.

Financial control

We continued to enhance in-year financial reporting to Met and MOPAC boards. Detailed quarterly reports included full commentaries on budget performance from Board Members as Accountable Officers. Monitoring reports provided analysis of emerging financial risks, an update on the delivery of planned savings and workforce projections.

We improved financial governance and accountability through rigorous corporate analysis and transparency around budget moves and application of reserves. Our Scheme of Devolved Financial Management remained a key financial internal control to ensure accountability for expenditure. We increased reliance on local budget control. We improved alignment of budgets and operational design targets to ensure resources were deployed to policing priorities. A review of the effectiveness of key controls in the new system was carried out with the Control and Risk Self-Assessment (CRSA) in 2019. A recurring issue was a lack of PSOP reporting functionality with key users lacking budgetary, people or management information. This affected assurance that can be provided over data.

The 2019 DARA Key Financial Systems follow up review (Adequate Assurance) highlighted some progress, with improved quarterly reporting on supplier performance and updates to CFO Instructions. Separate follow up reviews of client contract management for both SSCL and DP SIAM arrangements found continued issues around validating and reporting contract spend and reporting on savings initiatives. There remained a lack of accessible management information and agreed checking arrangements for payroll transactions and expenses by business areas, although the new self-service reporting system would assist. Work was required to identify and analyse causes of overpayments.

Over the next year, we will develop performance insight, processes and controls, embedding the performance framework and implementing the Data Office design to deliver capabilities for a data-driven organisation. We will increase assurance on benefit delivery, ensure a full programme benefits review pre-closure and ownership for sustaining benefit delivery post-programme. We will enhance the awareness and competence of budget holders, underpinned by the development of PSOP and new reporting tools, to enable budget holders to access self-service reports and budgetary monitoring tools.

5. Means to assess capabilities and meet the training, learning and development needs of officers and staff in relation to their roles, aligned to Met priorities.

Assessment: controls require improvement

Activity during 2019/20:

The 2019 Staff Survey highlighted perceptions of: opportunities to learn and develop (51% positive, +19% on 2018); career opportunities at the Met (45%, +5%); and the right equipment (44%, +9%). Two thirds agreed that they were able to use their skills and abilities at work. The Met's 2019/20 Statement of Internal Control review flagged issues amongst almost 60% of respondents in processes to identify the skills and abilities needed to do the job, and in the recruitment, training and learning & development processes to deliver this capability.

HMICFRS' 2019 Integrated PEEL inspection (Efficiency: Good) noted that the Met had assessed workforce skills and capabilities, including in its leaders. The Met did not have formal succession planning, but had invested in leadership development for all 10,000 leaders and managers, *Leading for London*, to improve organisational culture. The force's plans were ambitious but achievable. HMICFRS recommended that the Met manage information on a centralised database, to meet current and future demand. A 2020 DARA Workforce Data - Capture, Monitoring, Review and Reporting review is complete, key part of the PSOP review (and more recently Overtime and Budgetary Control), and demonstrated the quality needed to improve.

Required improvements identified following the 2018/19 Internal Control review included: developing a clear strategic approach; clarifying controls, roles and responsibilities for People, Training and L&D; improving processes to identify skills gaps and developing capability; assuring performance of (external) third party service providers; and ensuring robust processes for career development.

Training, Learning and Development

The new **People Strategy 2020-23** spans all HR and L&D priorities. The P8 Programme set the vision and delivery for Learning Transformation ('becoming a learning organisation') with work to align HR and Professionalism activity. A Strategic Learning & Development Board (feeding into People & Learning Board and Corporate Workforce Planning) was established. The enabling skills strategy and framework '6 skills for 2020', aligned to **Met Direction** and the People Strategy, was implemented. These "6 skills" will be updated yearly in consultation with internal leaders.

The L&D gateway became the entry route for all strategic L&D requests, with a single 'gateway' process for Met training. Controls remained to balance provision with demand for training delivery, with clear prioritisation and evaluation. P8 scope included CPD and the career pathway for the existing workforce (including Recognition of Prior Learning), complementing established career development frameworks for promotions and career develop schemes.

In 2019 the Met approved a contract to deliver the degree apprenticeship (PCDA) and degree holder (DHEP) recruit training pathways. College of Policing Quality & Standards Assessment (QSA) was completed in February 2020. A Plan was in place for new PEQF compliant recruit learning from September 2020 with P8 project support. PEQF governance included monthly Project Board (with service providers) and reporting to Portfolio Management Group. The Met strengthened leadership to oversee L&D improvements, with a focus on BCU capacity to oversee PEQF.

P8 also offered full project support for Learning Digital Infrastructure (LDI) Project and Learning TOM Project. The Business Case for a LDI is due for assessment in September 2020. LinkedIn Learning licences were procured for all Met personnel. The next phase focuses on an interim reporting solution to manage compliance of training completion. A High Level Design for the new Learning Target Operating Model (LTOM) was developed.

A full performance framework and 'Intelligent Client' capability was in place for our for Initial Recruit Learning (PEQF) contract, supplemented by Collaboration Board. Police Now contract management was transitioning from HR to Professionalism and PEQF 'ICF'. Premier Partnerships arrangements were under review with procurement of a new Training Managed Services Contract in 2020.

Monitoring: 'Skills for 2021' was tasked through People & Learning Board; Individual learning Board re-designed for short term improvement and to deliver in 2019/21; Learning Transformation (P8) Programme for medium term Improvement and on 'majority' talent and lateral career development.

Performance and Professional Development

The **HMICFRS' 2019 Integrated PEEL inspection (Legitimacy: Good)** suggested that the Met improve the way it manages and monitors individual performance so that staff value the process. The force should ensure consistent and fair performance development reviews (PDR) and manage poor performance effectively. The force restructure and competing operational demands affected talent management, performance management and wellbeing. It also found that the force had a people strategy with clear career pathways although police staff did not feel they had much opportunity for career progression or lateral movement. The Met worked hard to remove potential barriers to promotion. Uniformed officers felt that the promotion process was generally fair and open with no explicit barriers. The Met recognised that people from under-represented groups often experienced more barriers and developed an online career development service to support BAME and female officers. This and other schemes were monitored at strategic meetings.

The **People Strategy** set out to build specialist and lateral career pathways for officers including creating advanced practitioner roles with three pathways: response, community and investigation. Recruits will be allocated to career paths at point of entry by matching skills, potential and aspirations to availability and capability requirements. Direct entry into inspector and superintendent ranks continued, enabling more diverse and specialised leaders. The force's well-established graduate offer, in partnership with Police Now, continued as a talent pathway to senior leadership.

Wellbeing

The **Met Direction** flagged our aim to improve the health, safety and wellbeing of our people. Key challenges included: understanding the staff wellbeing; establishing a strategy and action plan; and refining our Major Incident support. The Health and Wellbeing Strategy 2019-21 was implemented during the year. The **2019 Staff Survey** showed 56% of staff

believed that they got the support they need to manage their wellbeing, and 76% that their line manager took an interest in their wellbeing.

The Met's 2019/20 Corporate Risk Register highlighted a short-term risk in Wellbeing of our staff. Mitigations included increasing capabilities of line managers to identify and support their people, including in mental health; and scaling up Occupational Health (OH) services at pace, such as the Employee Assistance Programme introduced in 2019 and new outreach services and managers helpline introduced in 2020. Full implementation was due by March 2021.

The HMICFRS' 2019 Integrated PEEL inspection (Legitimacy: Good) found that the force had developed a strategic response to workforce wellbeing, with operational officer's wellbeing a consistent theme in the Met since 2011. The Wellbeing Strategy, audited and measured against the Oscar Kilo Blue Light Wellbeing Framework, was implemented. MOPAC and Risk and Assurance Board audit outcomes from the strategy. The workforce did not value current occupational health provision and the Met was making improvements to wellbeing provision.

The 2019 DARA Well-being Strategy and Implementation Framework review (Adequate Assurance) noted that the Health and Wellbeing Strategy reflected the People Strategy. The Met should manage interdependencies, linking the strategy and plans to corporate risks and other wellbeing initiatives. As the framework matures, raising awareness and ensuring access will help to embed services. Performance measures were monitored but improved data quality and success criteria will help to achieve strategic aims and objectives.

Over the next year, we will move from reactive training towards proactive development that supports autonomy and mastery; harnesses diverse workforce skills; and helps everyone own and plan their learning. We are striving for a culture that recognises health and wellbeing risks, and responds effectively. A 2020 DARA Well-being Strategy and Implementation Framework follow up review and the 2020 DARA Optima Outsourced Arrangements follow up review are planned.

6. Appropriate governance of commercial contracts, partnerships, research relationships and other collaborative working to improve delivery of plans, priorities and outcomes.

Assessment: controls require improvement

Activity during 2019/20:

The Met's 2019/20 Statement of Internal Control review flagged issues in governance arrangements relating to commercial contracts, partnerships and collaborative working in over a third of respondents.

Commercial Contracts

Required improvements identified in our 2019/20 Governance Improvement Plan following the 2018/19 Internal Control review included: implementing a new TOM to optimise contract management; commercial collaboration with other forces and the GLA; contract governance for Platinum (high value strategic) and Gold (lower value critical) suppliers; enhance controls and processes for SSCL through ICF and contract management. Progress was made.

The Met's 2019/20 Corporate Risk Register also highlighted a risk in failure to effectively manage critical contracts (including PEQF, Connect, Command and Control). Actions included: Implement the Cabinet Office Commercial Standards for all contracts; Implement a Commercial Lifecycle Management (CLM) system; Review of purpose/capability in ICF function for key contacts; and commercial expertise to supplement our in-house team.

Blueprint activities in January 2020, through the TOM, defined the new operating structure for Commercial. During 2019/20 the Commercial Strategy and action plans were implemented through a Commercial Business Plan. The Met's Contract Management Framework and ICF working principles were implemented to support strategic and high value contracts and to standardise processes for managing key suppliers as defined in the Contract Management Strategy. The framework is based on the National Audit Office's Good Practice Contract Management Framework. Collaborations continued with FCOM, now badged as Bluelight Commercial.

A phased implementation of Cabinet Office Commercial Standards was actioned, with activity ongoing. The Commercial Lifecycle Management project has anticipated April 2020 Go-live – to provide integrated contract management functionality; to enable full supplier relationship management including to intelligent client functions. Commercial resource was in place for Platinum contract and PEQF, Connect, and Command & Control. Performance controls improved, with ongoing work to assure volumetrics, capture contract spend, and assure KPIs/SLAs.

The **DARA Contract/Client Relationship Management Framework – SSCL Contract follow up review** noted an improved control framework. The ICF was partly established with a best practice approach but was not embedded. Contract performance could not be measured. An implementation plan was needed, including a RAID register and assurance over information from SSCL. The **2019 DARA SSCL ICF follow up review** (Adequate Assurance) noted that the controls supporting implementation had improved. There was clarity around roles and responsibilities, improved risk management and communications. Work remained to obtain assurance over data and information.

The **2019 DARA Contract/Client Relationship Management Framework – Digital Policing SIAM follow up review** (Adequate Assurance) recognised improved management information relating to contract spend and demand forecasting. An overall contract assurance framework and assurance plan was needed. The **2019 DARA Financial Systems SIAM ICF follow up review** (Adequate Assurance) noted improvements in commercial contract reporting and arrangements for the SIAM and Solutions Development contracts. Work was needed on oversight of supplier performance against contracts, in roles and responsibilities and to monitor performance measures.

The **2019 DARA Framework Supporting Development of SIAM 2 review** was issued in draft but at this time remained unpublished. The **2019/20 DARA Procurement Framework advisory** continued to support the development of the Met's Procurement framework, including with the Commercial Blueprint.

Partnership

The **HMICFRS' 2019 Integrated PEEL inspection (Efficiency: Good)** suggested that the Met worked well with partners. It engaged with the public and used feedback to change services, such as contact. It used technology such as mobile devices to enhance services. HMICFRS noted excellent examples of innovation and working with others, which helped the Met and partners manage demand together. The Met also worked with industry and academia.

Required improvements following the 2018/19 Internal Control review included: establishing clear partnership priorities to deliver the Met Direction; work effectively with partners to bear down on violence; and develop operational partnerships.

Police, local authorities and clinical commissioning groups were required to publish revised safeguarding arrangements by June 2019 under the provisions of the Children and Social Work Act 2017 (Working Together guidance). The Met engaged with the 32 London boroughs and CCGs, supported by the NPCC national coordinator, to deliver a consistent partnership model for London under the Act. The complex partnership environment in London required the Met to prioritise partnerships that delivered for communities and for victims of crime, and to support the Met Direction. Our work with local partners ensured that demand was met by the most appropriate agency.

The Met's operational priority is bearing down on violence. In 2019/20 our Violent Crime Task Force worked to meet the Home Office Serious Violence Strategy, and support the London Mayor's whole system response, including a public health approach to tackling violence. Our **2019 Force Management Statement** described extensive collaborations including across Counter-terrorism, County lines, with local authorities, and Commercial partnerships. Our operational partnerships remained strong, with inconsistencies. The Blue Light (BL) programme gathered pace.

The Met's **2019/20 Corporate Risk Register** highlighted a long-term risk in the Met's work with partners and communities to sustainably reduce violent crime. This included a Concern Hub consolidating partnership practices for under 25's at risk of crime and criminal exploitation. The Met and MOPACs Violence Reduction Unit worked together through the Partnership Reference Group (PRG) and Violence Reduction Board (VRB). New controls were introduced including Project X, mobilising police, partners and communities through engagement in a selected area to reduce violence and improve confidence. Overall, however, progress was considered to be limited.

A **2020 DARA BCU Management of Partnerships and Local Priorities review (Post BCU rollout)** and a **2020 DARA Violent Crime – Strategic Partnership Framework review** are planned.

Research and Organisational Learning

Research and Organisational Learning were aligned to the **Met Direction** ambition to be a 'learning organisation'. We worked to develop a culture of learning, sharing ideas and empowering people to be innovative. This included a more dynamic link between formal training (including academic), continuous professional development (including research) and practitioner knowledge. In 2019/20 we progressed controls in three directions:

- **Organisational Learning** – we matured the Met's Organisational Learning (OL) Board and focused sub groups on implementation. We developed our OL structure around Met 'hubs' within policing functions where learning was captured, socialised and escalated. This was complemented by a BCU structure through the established blueprint of Neighbourhood, Safeguarding, Investigation, Response and HQ superintendent and teams. We progressed design of an OL Centre of Expertise to lead OL across the Met, and matured our OL Champions Network.
- **Evidence Based Practice** – we supported circa 200 pieces of research and evaluation at any one time, and matured relationships with academics, university groups, and third sector researchers. We continued to shape processes for research partnerships and co-governance including MOU, Information Sharing protocols and third party contracts. Our Research & Evidence Based Policing group managed operational research and drove evidence based practice with partners such as the Society of Evidence Based Policing.
- **Capability** – we managed the Met's Academic Bursary Scheme to support postgraduate and undergraduate study, building individual capability and the Met's systemic knowledge. We supported the recognition of prior experience and learning (RPEL), responsible leadership through the Forward Institute, and International learning through our Global City consortium and Fulbright Scholarship.

Over the next year, we will enhance governance controls and processes for contract management, including the ICF and monitoring measures. We will further enhance commercial systems and processes across all major contracts. We will implement our OL Centre and OL framework, enhance our relationships with academics and institutions, and significantly expand our academic bursary scheme.

7. The risk management process by which the Met identifies and seeks to prevent and mitigate key risks.

Assessment: controls are established

Activity during 2019/20:

The **DARA Alignment and Management of Strategic Risks review** (Adequate Assurance) noted that the MOPAC/Met framework for aligning key strategic risks had developed with improved identification of shared risks to Police and Crime Plan objectives. DARA suggested the framework should be defined and fully integrated, and integrated with planning and performance frameworks. The Met (and MOPAC) risk management frameworks were not yet fully mature. The Met worked with MOPAC to increase the maturity of the framework. We identified aligned risks to Police and Crime Plan objectives and conducted reviews of key controls through a Governance and Risk Working Group. The **2019 DARA follow-up review** noted that the alignment of strategic risks for MOPAC/Met had improved. Work continued to ensure that identified shared risks to achieving objectives within the Police and Crime Plan were quickly escalated and mitigated.

We reviewed and republished the Met's risk management framework and guidance in 2020. The Corporate Risk Register was refreshed and restructured to incorporate short and long term risks and reviewed quarterly at Risk and Assurance Board. Risks were escalated from sub-boards including the Organisational Learning Board and Health, Safety & Wellbeing Board and through a "risk radar" designed to ensure swift escalation of emerging risks.

Business Continuity

The Met's **2019/20 Corporate Risk Register** identified a risk – Met service delivery fails through sustained long-term disruption. This related to Brexit and other scenarios. A Steering Group was established, with a full command team. Engagement meetings were held, including with community leaders, to identify vulnerable communities, premises, and individuals and with the London Resilience Forum partnership. Development of Business Continuity plans continued, with completion rate the highest recorded. All OCUs and departments were completing a current plan.

The 2018/19 **DARA Business Continuity and Return to Normality Arrangements review** (Limited Assurance), suggested that the control framework was not operating effectively. Some key controls were absent or not applied. The governance structure, strategy and policy and procedures for BC and Disaster Recovery (DR) were not clearly defined. Operational Business Units were risk assessed, with BC/DR plans developed for all. However, there was no application interdependency mapping for IT systems. There were no DR plans for the SIAM, Met managed systems or End User Systems. During 2019/20 recommendations from the DARA review were actively progressed. **The 2020 DARA follow-up review** (Adequate Assurance) noted that the Resilience Committee was in place with a governance structure around Business Continuity operating effectively. Operational business continuity and return to normality arrangements managed through MO6 further improved. Progress was made in IT systems recovery arrangements although significant work was still required.

Health and Safety

The Met Health and Wellbeing Strategy 2019-21 was implemented. Additional funding was approved for new services and products for 2019/20. Emphasis was placed on: an employee assistance programme; mental health training and resilience; triage counselling; high touch welfare services for officers and staff following injury or assault at work; and an OH helpline for managers. The Met, within the HR Target Operation Model, consolidated Health, Safety and Wellbeing as an 'Expertise Hub'. In 2019/20 we launched the Met H&S maturity assurance self-assessment statement process, to consolidate level 3 (a self-sustaining compliant culture). This is a prospective assurance process overseen by the Health, Safety and Wellbeing Board and supported by Maturity audits to validate self-reported maturity levels.

Over the next year, we will aim for level 4 maturity, where risk management is embedded and working. Our focus will be to develop risk management processes that better support decision-making. We will further review the Met business continuity Strategy and Policy with Digital Policing and Disaster Recovery, in line with DARA recommendations.

8. Effective financial stewardship and financial controls including financial instructions, a scheme of delegation and instruments that support service delivery and achieve VfM.

Assessment: controls are established

Activity during 2019/20:

The **2019/20 Grant Thornton audit opinion** (value for money arrangements) concluded that each of MOPAC and the Met had proper arrangements to secure economy, efficiency and effectiveness in use of resources, and issued unqualified conclusions. GT identified a number of risks in respect to specific areas of proper arrangements, and focused on five areas to reach value for money conclusions (reported individually in this document).

Budgetary control developed with a budget scrutiny process that identified revenue savings; comprehensive capital planning to 20 years; an established process for the production, scrutiny and approval of business cases; and a budget setting process that culminated in an approved MOPAC budget. We embedded financial instructions across the Met including guidance on financial planning, reporting, forecasting and roles and responsibilities of budget holders and managers. Our Scheme of Devolved Financial Management remains extant. We developed our end to end finance processes and assurance framework and measurement system to identify whether controls and processes were operating effectively. We embedded our finance design authority to ensure that processes were optimised.

The **DARA Key Financial Systems Assurance Review** (Adequate Assurance) suggested that the control framework supporting key financial systems continued to develop. Some controls required improvement, to fully embed the monitoring, review and reconciliation of each key financial systems process. In response the Met progressed recommendations. We continued to rely on assurance activity over finance processes operated by outsourcing partners, notably SSCL. We continued an internal audit plan with SSCL and agreed key control objectives covered by their ISAE3402 report. The **DARA Key Financial Systems Work Programme** continued into 2019/20.

The **2019 DARA Key Financial Systems follow up review** (Adequate Assurance) highlighted progress, with improved quarterly reporting on supplier performance and updates to CFO Instructions. DARA follow up reviews of client contract management for both SSCL and DP SIAM arrangements (reported earlier) found continued issues around validating and reporting contract

spend and savings. There remained a lack of management information and assurance arrangements for monitoring of payroll transactions and expenses by business areas, although the self-service reporting system being developed would assist.

The 2019 DARA Key Financial Systems Accounts Payable review (Adequate Assurance) highlighted the need for a risk appetite to inform the design of the control framework and guidance. Policies and guidance were not up to date. Roles and responsibilities between the Met and SSCL were not clearly defined, nor within Commercial Services with no rationale for oversight of activity. Management information around P2P activity did not provide adequate assurance. The absence of appropriate MI was a theme. **The 2019 DARA Key Financial Systems Assurance – Accounts Receivable follow up review** (Adequate Assurance) noted progress against priority actions with enhanced arrangements to support business areas with income generation, although a risk remained to Commercial Services oversight. Work was ongoing to ensure invoices were raised on time and to monitor outstanding debts. The value of outstanding invoices indicated that the operation of debt monitoring and recovery had not improved.

The 2019 DARA Key Financial Systems Assurance Allowances and Expenses review (Limited Assurance) indicated that the control framework supporting the payment of expenses required improvement. There was a need to clarify ownership of policy/procedures with roles and responsibilities between HR and Finance not defined. The Met needed to raise awareness of entitlements, with clearer direction on recovery, escalation and sanctions. There was no consistent process for distributing management information to cost centre managers. **The 2020 DARA follow-up review** (Limited Assurance) suggested that there remained a need to define, consistently produce and distribute management information across the Met. Work was underway around policy and a more robust checking mechanism for expenses but neither were not yet finalised.

The 2019 DARA PSOP Access Controls review (Limited Assurance) reported that PSOP operating practices had not been sufficiently defined and documented within the Met, including the rationale for the authorisation hierarchy. A data dictionary as a basis for analysing the structure, content and permissions within PSOP was not available to demonstrate whether access levels and approvals were appropriate and operate as intended. User access rights had not been reviewed or reconciled with role profiles, with a high level of errors and/or omissions identified.

9. Robust assurance and audit processes by which the Met ensures accountability and assures Management Board, MOPAC and the public that controls work effectively.

Assessment: controls require improvement

Activity during 2019/20

Corporate Assurance Framework:

The Met has recognised inconsistencies in its assurance framework, within a capable three lines of defence model. Immature level 2 internal assurance and variable level 1 compliance was offset by reliance on level 3 audit/inspection. The **Met's 2019/20 Statement of Internal Control review** continued to flag assurance controls, with over 25% of respondents expressing concerns.

Required improvements identified following the 2018/19 Internal Control review included: strengthening the assurance framework (level 2); ensuring that local supervision (level 1) controls were effective; developing controls for organisational learning; focusing internal audit and implementing audit and inspection findings (level 3); and improving assurance over key systems. During 2019 level 2 Assurance Project oversaw a limited operational review in CPIC, with some level 1 controls reviewed through Heads of Profession. A Policy review and Information Futures (Data Office) implementation will support level 1 (supervision) assurance.

The Met's 2019/20 Corporate Risk Register highlighted a risk in Governance and Assurance controls. Actions were focused on: a review of assurance and governance to ensure controls were proportionate and focused on the most high risk/value or complex decisions. The review focused on delivery of a streamlined corporate assurance and approvals process, to support proposed new MOPAC delegations.

Level 3 Inspection - HMICFRS

HMICFRS inspected our internal control environment throughout 2019/20, proposing Areas for Improvement (AFIs) and narrative recommendations. For 2019/20 all elements of the PEEL inspection process were again assessed together. Fieldwork conducted once a year in each force involved activity across all three PEEL pillars. Integrated PEEL Assessment 1 – Spotlight report. On 7 February, HMICFRS published the third *PEEL Spotlight report: diverging under pressure*. This report summarised the findings from all three tranches of HMICFRS’s Integrated PEEL Assessments. Integrated PEEL Assessment 2 (IPA2 - 2020). HMICFRS are proposing a structure for the assessment framework that uses force management statement (FMS) demand categories and assesses the force’s efficiency, legitimacy and effectiveness across each. <https://www.justiceinspectors.gov.uk/hmicfrs/publications/>

Level 3 External Audit – Grant Thornton

Grant Thornton undertook an annual audit in accordance with International Standards on Auditing. For the 2018/19 financial year, they provided an unqualified opinion on the financial statements. GT also undertook an audit of arrangements for securing value for money in accordance with National Audit Office guidance, and provided an unqualified opinion. GT identified four areas for improvement in relation to financial controls and arrangements to secure value for money - recommendations were complete or on track. The **Grant Thornton audit plan** for 2019/20 audit identified areas of focus. On the financial statement audit, these were the presumed risks of fraudulent transactions, management override of controls, and valuation of property, plant and equipment and the pension scheme net liability. In relation to value for money, these were delivery of the police and crime plan, financial strategy and long term sustainability, strategic planning and governance, benefits realisation and transformation.

Level 3 Internal Audit – DARA

The Director of Audit, Risk and Assurance annual opinion on the effectiveness of the Met’s 2018/19 internal control environment, published in June 2019, suggested that ‘the internal control environment had improved with the Met having established an adequate governance framework. An increase in risk maturity with more emphasis on the quality of internal control and assurance provision will secure planned improvements and enhance overall effectiveness’. The 2019/20 Annual Audit Plan proposed 24 Risk and Assurance reviews and 20 follow up reviews, with those published recorded in this AGS. Most follow up reviews demonstrated improvement.

Level 2 - Financial Assurance

The **2019 DARA Key Financial Systems Assurance** programme is reported in section 8. We introduced in 2019 a new financial assurance framework based around the finance process ownership model, with services delivered under outsource arrangements and retained in house. The framework provided the basis for assuring the s151 officer over the effectiveness of controls in year, as well the basis for commissioning assurance activity from DARA and SSCL.

We agreed key control objectives to be tested under the ISAE3402. Interim audit procedures were tested and results shared with process owners. Planned assurances derived from ISAE3402 were incorporated into the new financial assurance framework. We reviewed, with DARA and external auditors, the ways in which the ISAE3402 can support their requirements, and identified future areas of review with DARA. We continued throughout 2019 to adapt to business process outsourcing arrangement with SSCL, including PSOP. We focussed on developing end to end finance processes, and improved maturity in performance measurement. Our process orientated assurance framework focused on level 2 assurance activity overseen by process owners, and incorporated assurance undertaken by SSCL through internal audit, and the ISAE3402 in which we agreed key control objectives. This provided a more objectively based assessment of the effectiveness of financial controls.

Level 2 - Portfolio Assurance

Mechanisms for independently assuring change related business cases were introduced largely through screening business change initiatives (Front Door process) and stage gate based peer reviews (Portfolio Assurance Framework). Scrutiny through PIB and MOPAC supported greater assurance to decision-making forums. The level of rigour and scrutiny applied to ‘run’ related business cases was inconsistent with that applied to change related business cases.

The **2019 DARA Transformation Portfolio Assurance Framework review** (Adequate Assurance) noted that controls were generally operating effectively, with progress in implementing the Portfolio Assurance framework. This followed HM Government Infrastructure and Projects Authority (IPA) and the Management of Portfolio principles. The Integrated Approval and Assurance Strategy remained outstanding. The role of Portfolio Assurance Board was not defined, nor roles for Portfolio

Management Group, PIB and IAM. The **2020 DARA Transformation Directorate Assurance Framework follow-up review** (Adequate Assurance) is complete suggested that all change business cases should be subject to the assurance process prior to PIB and MOPAC IAM. Limited progress had been made against agreed actions, but the 'Busting Red Tape' review would enable that.

Level 2 and 1 – Operational Assurance including safeguarding

The **HMICFRS' 2019 Integrated PEEL inspection (Effectiveness: Requires Improvement)** suggested that the force was outstanding at tackling serious and organised crime and good at preventing crime and tackling anti-social behaviour. HMICFRS raised concerns about vulnerable people, noting in particular that the Met is failing to effectively manage the risk posed by medium and low-risk registered sex offenders in line with approved practice. HMICFRS also noted that the force needs to improve how it investigates crime. **A 2020 DARA BCU Review Programme completed (frontline: Safeguarding delivery framework was the agreed focus; HR and Finance completed).**

The **2019 DARA Online Child Sexual Abuse and Exploitation Command follow up review** (Limited Assurance) found the delivery plan had been updated, although milestones were not populated and there was limited recording of risks to achievement. Guidance on investigations was published and there was monitoring of performance and quality of investigations, including a defined risk assessment protocol. The performance pack focused on the OCSAE investigation processes, although there remained a lack of definition and measures of outcomes underpinning the 2018-2021 MPS Strategy for OCSAE. Work was required to reduce the backlog of cases referred via the NCA.

During **2019/20 DARA advisory** built upon previous work in Safeguarding. DARA mapped out a generic key control framework supporting an end to end investigative framework. This set out key interventions at each stage to provide assurance over effective delivery of safeguarding outcomes and will support the Operation Aegis pilot to deliver improvement around child safeguarding on one BCU. Work to build first line resilience and assurance within the frontline Safeguarding portfolio culminated in local assurance boards and outcome measures linked to Safeguarding priorities. DARA's safeguarding delivery work programme focused on strengthening first line controls and assurance.

The 2019 DARA Safeguarding Delivery Framework (including CASO, Transition to BCUs, Jigsaw, Modern Slavery) was issued in draft but at this time is unpublished. The 2020 DARA BCU Safeguarding Framework - Control Risk Self Assurance (CRSA) was completed (Missing Persons review issued to Transformation to take forward).

Over the next year, we will strengthen internal assurance at levels 1 and 2 to support Level 3 assurance and will better integrate performance, risk and assurance processes. We will continue to develop the financial assurance framework to incorporate related financial process. **A 2020 DARA Corporate Assurance Framework - Strategic Approach and Implementation of Level 2 Assurance (CPIC) review is planned.**

10. Processes that support compliance and organisational learning, good governance and a culture sustaining transparency & trust, including on potential complaints, misconduct or fraud.

Assessment: controls require some improvement

Activity during 2019/20:

Our focus remained during 2019/20 on learning from experience to improve what we do and developing our 'blame to praise' model to foster a culture of transparency and trust, whilst maintaining robust processes to investigate complaints, misconduct and fraud. The **2019 Staff Survey** highlighted workforce perceptions that their line manager backs them up if they make a mistake in good faith (over 75% positive).

During 2019/20 the Met, as early adopters, implemented controls related to Police and Crime Act 2017 legislative changes. These went live in February 2020 through new regulations and Statutory Guidance (Home Office and IOPC), the biggest change to the **police complaints and conduct regime** in 20 years. Processes were designed to be more flexible; focus more on learning and less on sanctions; and be faster to complete. This included an increased misconduct threshold with Reflective Practice becoming common in support of organisational and personal learning. During 2019/20 we engaged reflective practice to address low-level breaches of Standards of Professional Behaviour. Line managers' focused on learning and

improvement rather than blame and officers reflected on mistakes. The Met experienced a significant reduction in misconduct cases in the second half of the year with the new approach.

Organisational Learning

Required improvements identified from the 2018/19 Internal Control review included implementing an Organisational Learning (OL) system; and embedding behavioural and cultural change to create an improved compliance and learning culture. The **Met Direction** articulated a 'culture of learning' as a key enabling priority, and the Met developed controls to support OL and innovation. OL Board maintained oversight, with sub-boards overseeing activity. The Met's systemic OL framework including behavioural model, structures and processes was refined during 2019/20, with implementation through BCU/OCU integration and the 'blame to praise' behavioural standard. An OL Centre of Excellence was progressed, with the OL Champions network focused on Masterclasses and learning into practice. An OL Communications plan was drafted.

Our Open University OL project continued to develop a cultural and behavioural model for Organisational Learning, with four principles: Learning from success & Failure; Leadership & OL; the Learning mind-set; and Evidence based practice. We socialised the 'blame to praise' model as a behavioural standard with the Independent Office for Police Conduct (IOPC), to support a consistent culture of police learning and behaviours. The 'blame to praise' learning/misconduct standard was adopted through local Professional Standards Units including Phase 3 reforms. A **2020 DARA Organisational Learning review** is planned.

Complaints and misconduct

The Met, as an early adopter of 'Practice requiring improvement', continued to embed changes to complaints and misconduct arrangements including a preventative approach and governance through Appropriate Authority (AA) structures. We embedded our staff grievance processes, agreed with the Equalities and Human Rights Commission and ACAS, including Informal Resolution Champions.

The Police and Crime Act 2017 legislation improved the police complaints system for both the complainant and officers subject to the discipline system. When officers fell short of standards, the developing system applied the appropriate mechanism with increased involvement for local supervisors, and a focus on learning and continuous improvement rather than blame. The Act established the general duty to handle complaints in a 'reasonable and proportionate' manner, providing for approaches from no further action to a full investigation. An investigation was needed only in certain circumstances although the most serious complaints required formal investigation. MOPAC took responsibility for complaints appeals, with all complaints reviews now dealt with by the IOPC or MOPAC.

Home Office guidance placed a positive duty on police forces to ensure their staff are adequately trained and equipped to do their role. The new complaints process shifted the focus onto the organisation rather than individual officers. Forces log all complaints so that data can be captured for Organisational Learning.

Fraud and misconduct

The Met Anti-Fraud, Corruption and Bribery Strategy is extant supported by mandatory e-learning on Anti-Bribery and Fraud Awareness developed with DARA. We introduced the Met/MOPAC Fraud Forum to prevent and raise fraud awareness across the MOPAC Group although the Met Fraud Forum has not yet been re-established to provide oversight and promote counter fraud activity. During 2018/19 the Met took part in the National Fraud Initiative (NFI) which matched data across government organisations and identified potential fraud. DARA administered the scheme for the Met and investigated outcomes.

The **2019 DARA Counter fraud Arrangements review** (Limited Assurance) suggested that the framework of regulations and policies including the Anti-Fraud, Bribery and Corruption Strategy lacked corporate coordination and oversight of strategy delivery or a plan. More clarity should be given to roles and responsibilities of stakeholder groups. The use of analytical tools for data interrogation was limited, hindering efforts to uncover hidden fraud. The fraud risk assessment and the mandatory Anti-Bribery and Fraud Awareness e-learning programme were not updated. Management information on the detected level of fraud was not adequately captured and reported to Joint Audit Panel. Learning applied in silo may limit the understanding of the scale, nature and causes of fraud.

The **2020 DARA counter fraud arrangements follow up review** (Limited Assurance) reported little improvement. The Met Whistleblowing policy was reviewed, with monitoring of reporting. Reporting of fraud cases was established between DPS and DARA. However there remained ineffective governance or co-ordination across the Met to identify, prevent and detect fraud, with no Anti-Fraud Co-ordinating group or an action plan for the Anti-Fraud Strategy. Guidance around reporting mechanisms and roles and responsibilities were not clear. Action had not been taken to raise fraud awareness. The systematic capture and reporting of potential fraud and financial irregularities was not taking place. There remained a lack of monitoring and oversight to address potential fraudulent activity.

The **HMICFRS' 2019 Integrated PEEL inspection** (Legitimacy: Good) suggested that Met response to high-level corruption was impressive. It needed to do more to manage internal risk via integrity registers, and to intervene at an early stage with officers and staff at risk of corruption. It should invest in software to proactively monitor ICT systems. The Met should operate a current counter-corruption strategic threat assessment to manage the risk, and should use early interventions routinely to support those at risk of falling into corrupt practices.

Over the next year, we will continue to refine our controls and processes to misconduct/learning, serious misconduct and public complaints, and to support resolution of internal grievance.

11. Clear arrangements for communication and engagement with all sections of the community and stakeholders to improve outcomes and build trust and confidence.

Assessment: controls require improvement

Activity during 2019/20:

The **HMICFRS' 2019 Integrated PEEL inspection (Legitimacy: Good)** suggested that the Met was good at treating the public and its workforce legitimately, with a culture of treating people with fairness and respect. There was a significant reduction in public complaints vs the previous year. The Met was good at removing barriers to engagement and found new ways to involve harder-to-reach communities. The force had strategies to address response to minority and under-represented groups, with examples of positive engagement. However, the Met did not centrally monitor engagement activity, and needed to better understand how different activities affect public confidence. HMICFRS commenced a **Stop and Search review** of 2019 records, to assess the reasonableness of recorded grounds and to identify potential unfairness or good practice, through a randomised sample of 1,200 records.

Community Engagement and Confidence

Required improvements identified following the 2018/19 Internal Control review included: a joint Community Engagement Strategy (with MOPAC) and a plan; reviewing Met governance including partnership forums; increasing public involvement and engagement; and integrating Media and Communications protocols on engagement. The **Met's 2019/20 Corporate Risk Register** emphasised public and local engagement, and the impact on public confidence and policing legitimacy.

The MPS/MOPAC developed the Met's Neighbourhood Strategy, including a Joint neighbourhood policing Pledge, mobilising volunteers, and an ASB policy. The Met's Engagement Strategy was drafted for authorisation in May 2020. Corporate governance was achieved through the Crime Prevention and Confidence Board and Delivery group. Governance of engagement activity, mainly through Frontline Policing, was through Flex performance forum and Superintendents Board. A proposal in April 2020 would corral all engagement activity under Head of Profession CPIE.

The Neighbourhood Strategy supported ward panel reform, with representation reviewed to reflect the community. Virtual Ward Panels were embedded to broaden reach and representation. Our review into the representation of IAG's at gold groups and STRIDE expanded into other OCU's to ensure community involvement. The Met focused on a culture of engagement, with a performance framework and maturity matrix to provide insight into neighbourhood activity. We set our violence engagement plan and early intervention programmes. All BCUs delivered community events including community contact sessions. Neighbourhood watch, Streetwatch, Schoolwatch and policing with the community, including faith networks, initiatives were implemented.

Mobilizing citizens through volunteering is a key priority, with a vision to increase to 45,000 volunteers by 2025. Proactive initiatives with volunteers included our Cadets, volunteer and schools' officer patrols, volunteer weapon sweeps and volunteer test purchasing. We addressed the Met's Volunteering infrastructure to understand our volunteering family, prior to establishing a structure to value current volunteers and enhance ad hoc volunteering. The Met's redesign of local policing included the implementation of new engagement hubs with partner organisations, especially in high-violence areas. Initiatives such as '#Together team' with local authorities, blue light partners, businesses, residents and the youth sector were initiated to prevent crime. The Met sought new ways to connect with local communities. Staff experimented with surveys and methods such as live chat and livestreaming. During 2019/20 we worked on a digital engagement platform that will enable social listening and wider social media management, and increased engagement over 23 social media platforms and 12 messaging apps. Proof of concept of the technology was launched in April 2020. The Met supported the new neighbourhood watch website, OWL, and the 'Nextdoor' app. A plan was implemented to align Media and Communications across engagement activity.

Diversity and Inclusion

The 2018 **DARA Inclusion and Diversity Strategy and Implementation follow up review** had recognised improvement in the control framework. The Inclusion and Diversity Strategy was published following approval of STRIDE Board. This Met appointed a Head of Profession CPIE and improved governance, including through a strategy delivery group, performance monitoring and a communications plan. **The 2020 DARA Framework Supporting Inclusion and Diversity Strategy review** (Limited Assurance) found a complex governance structure to oversee delivery of the Strategy and a need for clarity on roles, responsibilities and accountabilities. There was limited progress in the design of a cohesive delivery plan, and gaps in key data and information. The management of risks was not embedded, with a lack of cohesive performance management.

The Met, with other Greater London Authority organisations, published our third annual **Ethnicity Pay Gap report** in 2019, evidencing pay for Black and Minority Ethnic (BAME) and white employees. The report suggested that police officer and staff pay was determined by role with no reference to ethnicity, although a narrowing pay gap remained. The Met focused on enhancing representation at every level, increasing new recruits from an ethnic background and on career development support schemes. The Met is supporting this with robust independent reviews.

Staff Engagement

The **2019 Staff Survey** highlighted perceptions that staff are treated with fairness and respect (72%), and that we care for each other (71%). 71% felt that their line manager recognised good work, and 71% that their line manager managed performance fairly. 75% felt that their line manager was open and honest in communications.

A specific required improvement identified in our **2019/20 Governance Improvement Plan** following the 2018/19 Internal Control review was to develop workforce voice and improve engagement processes. The MPS Staff survey and action plan were embedded, with mechanisms for staff feedback and improved communications channels. The 2018 Staff Survey led to Board commitments and Senior Leaders Events during 2019/20. We reviewed the Inclusion Delivery plan to set eight projects for 2019 against the 3 STRIDE objectives, and expanded the use of Staff Associations.

The re-contracted **2019 staff survey** recorded over 21,000 responses, a 48.5% response rate (vs 50% in 2018) with an employee engagement score of 48% (+4 ppt on 2018). Of the 21 questions which remained largely unchanged from the previous survey, 19 improved. Of the questions directly comparable to the previous survey, the most improved were: '*I am treated with fairness and respect*' (+19%) and '*I have opportunities to learn and develop*' (+19%).

The HMICFRS' **2019 Integrated PEEL inspection (Legitimacy: Good)** suggested that the force was good at treating its workforce fairly. Staff had increasing levels of trust and confidence in leaders. Leaders were good at getting feedback from staff and sharing this although trust and confidence would improve with better communications. The workforce valued the new grievance procedure. The Met had a positive and strong approach to diversity.

The **2019 DARA Met Special Constabulary – Management and Deployment follow up review** (Adequate Assurance) noted progress on actions with a recruitment campaign, roll out of tablets and a simplified process to access training. The Employee Supported Policing scheme continued to develop, although impact was yet to be evaluated. The ambition of 20% of total MSC signed up through ESP by 2021 was mitigated by no delivery framework or monitoring of scheme effectiveness. There

remained a need for more clearly defined strategic outcomes for the MSC with associated performance monitoring. There was no ongoing monitoring of total MSC costs.

Media and Communications

During 2019/20 the Met's Directorate of Media and Communications led services to help deliver the **Met Direction**, including media and reputation management, internal communications, marketing and brand management. We developed the Met's internet platform and social media channels to communicate with Londoners, with an emphasis on services and local information, and digital content. The Met's Media Policy and Toolkit guided work, including protocols on appropriate engagement with journalists, on disclosure, and use of social media. This was supplemented with guidance such as an Elections Protocol, Borough Twitter Policy and Intellectual Property advice.

Over the next year, we will coordinate governance through Crime Prevention and Confidence Board and 'communities of practice'. We will monitor performance through the Performance Framework. Improving employee engagement is a priority area for the Met: we will seek further ways to improve workforce voice, and respond positively to feedback from the 2019 and 2020 Staff Surveys.

12. Information Management processes that enable access to high quality data and information, including Freedom of Information and public requests, whilst assuring information security.

Assessment: controls require improvement

Activity during 2019/20:

Information Management and Information Security

The **Met's 2019/20 Statement of Internal Control review** flagged issues in information management controls, with almost half of respondents expressing issues with controls to secure the accuracy and integrity of information, data or systems, and in understanding statutory obligations and procedures in handling information. The review flagged concerns with a quarter of respondents in public access to information, FOIA and Subject Access Requests.

The **2019 DARA Data Protection Compliance Framework review** (Limited Assurance) found that the governance framework supporting data protection compliance was generally defined with clear accountabilities, roles and responsibilities. However, aspects such as data testing and data ethics were not. The control framework for compliance with Data Protection legislation was not effective. Data Protection Impact assessments (DPIA) completion was inconsistent. Information sharing was not fully effective and corporate file sharing and storage were inconsistent. Non-compliance with the DPA 2018 for Right of Access Requests remained an issue, as did data quality and stewardship. The Met could not be assured of what data it holds, on which system and the Information Asset Owner.

The **Met's 2019/20 Corporate Risk Register** highlighted a risk in Data and Information Management, notably compliance with regulations and ethics. Whilst progress was made, additional long-term controls were required, notably in compliance with information gained from the use of Investigatory Powers.

Required improvements following the 2018/19 Internal Control review included: delivering the Information Futures programme; implementing Right of Access and FOIA recovery; improving assurance and governance on GDPR; developing and maintaining an Information Asset Register; and improving governance over third party service providers and End User Systems. Progress was made.

All six projects in the Information Futures Programme progressed, with Proof of Concepts evaluated; the Data, Analytics and Talent strategies published in March 2020; a Data Archive and core data framework preferred bidder selected; Data Office implementation commenced; and the Data Office partnered with the Centre for Data Ethics and Innovation (Cabinet Office) on an ethics framework, linked to NPCC Data Ethics. A Data Board was established. The Data Office, launched in April 2020, was governed through a central 'hub' arrangement of teams with 'spokes' in BCUs for local analytical services - a hierarchy of control with centralised grip. There were core 'hub' teams in: Data Governance; Reporting and Analytics; and Data Innovation

and Service Improvement. The Data Office will result in new reporting lines and business processes, with a rationalisation of products into a core suite of standard tools.

The ICO increased scrutiny of FOIA backlogs as process improvement commenced. Demand for FOIA and DPA remained high, whilst reduction of the oldest cases continued. The triage process was amended. Right of Access and FOIA performance improved. The ICO enforcement notice for Rights of Access was lifted in March 2020. Our Information Asset register (IAR) format was reviewed, with information capture to complete in September 2020. In managing third party and end users the IAR review and Data Office Data Steward roles will support governance. Compliance with information gained from the use of the Investigatory Powers will complete by February 2022.

A 2020 DARA follow-up on Framework supporting the Implementation of GDPR are planned.

IT Access Controls

The 2019 DARA IT Access Controls review (Limited Assurance) suggested that policies and procedures defining controls to ensure security of Met systems and applications were not up to date or communicated, with the METSEC Code last updated in June 2015. Logical access controls were in place and managed via Met controlled equipment with generally automated controls to add and remove users. However, application level security controls were not fully effective and rights needed to be reviewed. Physical security controls prevented unauthorised access to networks, data and systems, but an independent Pentest had last been undertaken in 2017.

Third Party Service Providers

The Met's Digital Policing Strategy 2017-20 provided a framework for effective IS/IT although End User Systems (EUS) and shadow IS/IT remained across the Met. The DARA End User Systems review (Limited Assurance) suggested that there was no Systems of Record (SOR) and the EUS risk management framework was not effective. Controls for effective governance over IM and the resilience of EUS were absent or not applied. The 2019 DARA follow up review (Limited Assurance) noted an expanded number of EUS on the Master Applications List (MAL) compared to 2018. Increased oversight of the Information Asset Register and resources were required including alignment with wider IM objectives, notably the Information Futures programme. There remained lack of transparency in End User 'shadow IT'. EUS costs remained unclear as identification, recording and reporting were not undertaken corporately. There was a lack of defined Performance Management Information.

Asset Management

The 2020 DARA Smarter Working – Asset Management review (Limited Assurance) required governance and oversight improvements. Policies and procedures needed review, and some management information and performance measures were not defined or reported on. Re-alignment of Budget accountabilities would enhance the safeguarding of assets by users. Roles and responsibilities should be clearly defined to ensure asset requests were properly actioned. The asset register for laptops and tablets was outsourced with limited assurance to the Met. Reconciliations and post-input verification was not undertaken to confirm the register accuracy with losses reported.

Publicising Information

Through the Publication Scheme, we continued to increase information on the Met website and other media that may be requested through a Subject Access request. The Publication Scheme promoted access to information including policing priorities, primary decision-making and key policies. Further phases will support data protection Subject Access requests. <https://www.met.police.uk/accessing-information/the-met-publication-scheme/>

Over the next year, we will implement our action plan for End User Systems, including the Information Asset Register (IAR) and Systems of Record (SOR). Information Assurance and Security Board will oversee governance of the IAR.

13. Ensuring familiarity and compliance with relevant law and regulations, internal policies and procedures, and ensuring that activity and expenditure is lawful.

Assessment: controls require some improvement

Activity during 2019/20:

Law and regulations

The **Met's 2019/20 Corporate Risk Register** highlighted a risk that the Legal and statutory framework (or lack of) could impede rather than facilitates the Met's role. The Met assessed and proposed legislative change through Ministerial and official contacts. A strategic Met view and visibility was required, covering all "live" areas such as public order, live facial recognition, bail and investigatory powers. We started to scan and prioritise the legislative pipeline.

In 2019, the Met continued to be subject to major inquiries. The Met's Directorate of Legal Services worked with other forces and agencies on major litigation such as the class pension action challenge and supervised work commissioned under the National Legal Service Framework (NLSF). This work is bounded by governance controls including litigation and representation, and by legal advice.

Disclosure

Required improvements following the 2018/19 Internal Control review included implementing the National Disclosure Improvement Plan (NDIP) and joint CPS/Met disclosure improvements. All Met actions related to the joint NDIP including protocols, forum and experts were completed. <https://www.cps.gov.uk/publication/national-disclosure-improvement-plan>

The 2020 DARA Disclosure – Case File Management review (Limited Assurance) noted that the governance framework was complex, set within a regulatory environment maintained by the CPIA Code of Practice (2015) and MPS guidance. Roles and responsibilities were defined but terms such as 'reasonable and proportionate' were subjective. There was potential inconsistency around digital media. Disparate systems were used to record and share information. The BCU model made it difficult to determine whether there were sufficiently skilled resources to meet increasing disclosure requirements. Management information was not effectively captured and monitored.

Release under Investigation

The 2020 DARA Framework Supporting Release Under Investigation (RUI) review (Limited Assurance) reported that governance of RUI was achieved through the Criminal Justice Gold and Silver Groups which co-ordinated response to the HO Bail Act/RUI consultation. A Strategic Working Group was undertaking a deep dive and the DMPC and Met Commissioner provided further oversight. However there was an inconsistent approach to RUI and bail, an excessive use of RUI and lack of appropriate pre-charge bail. NPCC guidance and procedures were not always followed and there was ineffective supervision and decision making in criminal investigations for RUI and bail decisions. Unconnected IT systems lead to duplication error and non-compliance with legislation. There was a lack of guidance in dealing with data locally for RUI queries and difficulties in linking cases to OICs.

Security vetting

The HMICFRS 2019 Integrated PEEL inspection rated the Met as "requires improvement" under the question "How well does the force ensure that its workforce behaves ethically and lawfully?": the size of the vetting backlog is a cause of concern. It suggested that the Met did not comply with all vetting APP and the Code of Practice, with minor deviations from the national policy. The Met backlog of staff without appropriate vetting had reduced. The Met had prioritised police officer recruit vetting to manage capacity and demand. Corporate governance and data on staff who needed re-vetting had been addressed.

The 2019 DARA Security Vetting and Clearance review (Limited Assurance) assured that defined national vetting guidance was applied although the adoption of APP National Guidance was not reflected in Met guidance. Updated policies and procedures were needed. The timeliness for processing security applications had improved although vetting levels across units and contractor vetting had not been reviewed. Progress in addressing expired vetting had slowed. Work continued to improve the accuracy of vetting information on PSOP, and to develop data to inform recruitment vetting and policy. The new vetting management system CycVetting was yet to be installed.

Policy

During 2019/20 we supported policy owners to ensure that officers and staff were sighted on policies, understood and complied with them. Policy owners had responsibility to review policies on time, with a corporate quality assurance check

prior to publication. Equality Impact Assessments were carried out to ensure vulnerability was identified and addressed. Business Area Risk and Assurance Boards (and equivalent) received quarterly policy updates to ensure that those approaching review were acted on, with oversight and commissioning through the Executive. The **2019 Staff Survey** highlighted workforce perceptions that policies and processes are not straightforward (32% positive). During 2019/20 Policy Management transferred to Professionalism CPIC. A review of all policies was initiated, with priority given to high risk/harm areas, to complete by December 2020. A more integrated approach to Policy Management through Head of Profession and Lead Responsible Officers was designed, for approval in April 2020.

Financial activity and lawful expenditure

During 2019 we conducted an annual review of our Scheme of Devolved Financial Management and Financial Instructions. The scheme specified budget holders' roles and responsibilities. In 2019 the scheme provided clarity on key issues such as flexibility for budget holders to manage the overall budget (rather than by line) and rules governing budget movements and use of reserves. We undertook scanning to identify potential fraud activities, continued application of the National Fraud Initiative and professional development to ensure compliance.

Environmental

During 2019/20 the Met delivered the Environment and Sustainability management programme in line with our Environmental Management Systems (EMS), aligned to best practice standard ISO 14001. A Sustainability Management Plan (SMP) was developed, with progress updates to Environment & Sustainability Board (ESB), and an annual report. The MPS Environment Policy and the MPS Environment & Sustainability Strategy were updated, and input was provided to MPS governance reporting including to the Met Direction Pillar 7, and MPS Business Plan metrics. We continued to contribute to wider sustainability programmes and governance, including the GLA Environment Policy Forum, GLA Responsible Procurement Forum and GLA Annual Reporting. In December 2019, MOPAC initiated an audit of the environment and sustainability programme, and in January 2020 the Environment & Sustainability team engaged an external assessor to review the MPS Environmental Management System. The **2020 DARA Corporate Social Responsibility - Sustainability (impact of investment decisions on the environment) review** was in progress but had not completed at this time.

Over the next year, we will continue to strengthen disclosure governance controls, processes and assurance. We will drive internal assurance to test effectiveness and compliance with an initial focus on high-risk policies. The ongoing Continuous Policing Improvement Command review will include an integrated Policy and Process function.

14. Developing, communicating and embedding ethical standards, codes of conduct and the standards of behaviour for officers and staff.

Assessment: controls are established

Activity during 2019/20

Standards of Behaviour and Ethics

The HMICFRS' **2019 Integrated PEEL inspection (Legitimacy: Good)** noted that the force had invested in improving grievance processes. It recently revised the grievance procedure, created a grievance management team, a helpline for staff and a new database to record grievances, with newly appointed facilitators trained in mediation. The latest grievance policy focused on early resolution, and was perceived to be fair by staff who had confidence in it. A strategic board examined lessons from complex matters. This was supported by a network of staff associations.

The Met promoted the Code of Ethics. The Met's partnership with British Transport Police and City of London Police in the London Police Challenge Forum matured. In its third year, the panel met to consider 'ethical dilemmas' from staff across the forces. The Met will socialise the Forum to promote an ethical approach to decision making.

The Met was an early adopter of **Police and Crime Act 2017 legislation** in standards of behaviour. New regulations and Statutory Guidance (Home Office and IOPC) went live in February 2020. Major elements included: a thematic that forces will

be reasonable and proportionate; increased powers for the IOPC and PCCs; an increased misconduct threshold with more Reflective Practice, and Improvements to timeliness of investigations.

As an early adopter reflective practice was used during 2019/20 to address low-level breaches of Standards of Professional Behaviour, or under-performance not requiring UPP. Officers were supported to learn from mistakes rather than be penalised, with disclosures made about the matter within the reflective practice process not used for misconduct proceedings. Timeliness was addressed with investigations into conduct previously taking months or years to complete. IOPC reforms led to improvements during 2019/20. In addition, Legally Qualified Chairs (LQCs) have greater flexibility to hold pre-hearing conferences. A significant change to the Standards of Professional Behaviour for Duties and Responsibilities of a police officer, adopted in 2019/20, enacted a duty to give cooperation during investigations, inquiries and formal proceedings, participating professionally when identified as a witness.

The Met’s ethical and behavioural awareness activity focused on Abuse of Authority - Sexual Misconduct; Information Leakage; Inappropriate Associations; and Discrimination. Robust training was delivered. Standards were reinforced through the proactive (misconduct) PaRT team and liaison with local Professional Standards Units (PSUs). The Met’s Discrimination Investigation Unit investigated or oversaw all misconduct and criminal allegations involving discrimination, victimisation, bullying or harassment. The Integrity Assurance Unit maintained and improved compliance against officers of concern, monitored and reviewed by the Directorate of Professional Standards.

Culture and behavioural change

The Met’s flagship leadership programme *Leading for London*, focused on leading change and embedding skills to create a culture of continuous improvement, concluded in 2019/20. *Leading for London* was governed through a transformation Programme Board and People & Learning Board with additional controls for the external provider. We introduced a Met Faculty to support delivery. The Met was now focused on reinforcing positive cultural change.

The 2020 DARA *Leading for London (LFL) review* (Adequate Assurance) suggested that appropriate governance, oversight and management reporting arrangements were in place for the duration. The programme was sufficiently promoted through senior management and well publicised across the Met, although some senior staff did not fully complete the journey. As the programme ended, there was a need to embed a consistent approach to management training and development. Actions were proposed to ensure that lessons learned from LfL were incorporated into the new Leadership Centre of Expertise programme.

Over the next year, we will embed reflective practice and respond to national strategic assessment priorities with prevention and proactive action into national threats such as abuse of authority for sexual purpose.

B) Governance improvement action plans 2019/20

The Met is committed to implementing a governance framework that supports our **Met Direction**, and improves its governance and internal control environment. Evidence from our 2019/20 review of the Met’s internal control environment suggests that we made progress against all ten multi-year governance improvement plans 2018-21.

Areas taken forward in 2019/20	
Priority areas:	
Capability, Training and Development (5) Lead: AC Professionalism	Vision: we have clear, effective, consistent, governance arrangements to deliver both the capacity and capability elements of the People Strategy.
Stakeholder engagement and confidence (11) Lead: AC Professionalism	Vision: we build relationships and engage with communities across London, and with our staff, to prevent crime and inspire trust and confidence in policing, delivering on the ‘Mobilising the Public & Partners’ pillar in our strategy.
Commercial contracts (6) Lead: Chief of Corporate Services	Vision: we manage effectively all the Met’s Trading relationship throughout the commercial lifecycle, with enhanced performance monitoring and oversight of critical suppliers.
Decision making processes and delegation (3) Lead: Director Strategy & Governance	Vision: we are clear about the Met’s decision making framework and about authority to make decisions. We communicate decisions to encourage consistent activity and a shared understanding.

Other improvement areas	
Assurance controls (9) Lead: Director Strategy & Governance	Vision: Management Board has assurance that the right controls are in place and that they are working effectively at all levels of the organisation.
Information Management (12) Lead: Director Strategy & Governance	Vision: data will be at the heart of what we do, with access to high quality data and information to help make the best decisions we can to keep London safe.
Collaborative and strategic partnerships (6) Lead: Director of Strategy & Governance	The Met is a trusted partner, and we are effective in mobilising partners to keep London safe for everyone
Non-cashable benefits and realisation (4) Lead: Chief of Corporate Services	Vision: we fully realise the benefits from the Met's transformation programmes and share good practice and learning
Performance management (4) Lead: Deputy Commissioner	Vision: we manage and steer the performance of the Met and its resources to achieve organisational priorities at every level, providing high quality information to inform decisions
Compliance and Learning (10) Lead: AC Professionalism	Vision: we are a learning organisation. We learn from our experiences and from others to improve what we do, supported by good governance and by a culture sustaining transparency and trust

In consultation with our Risk and Assurance Board and the MOPAC/Met Joint Audit Panel, we will refine the areas we prioritise for 2020-21 and seek to better align their structure to our Corporate Risk Register. This will help ensure that control and governance activities are synchronised, and that internal leads are clear about the articulation of governance and operational risks and controls. The quarterly reporting to our boards will provide members with this wider but joined-up view across assurance areas.

C) Declaration

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements, focusing most effort in the four 'priority' categories. We are satisfied that these steps will ensure that Met governance processes will remain effective in a changing environment. We will continue to monitor their implementation and operation, including through risk management and assurance processes.

Signed and dated:

Cressida Dick
Commissioner of Police of the Metropolis

Robin Wilkinson
Chief of Corporate Service

Appendix: AGS background and context notes

Scope of responsibilities

The Commissioner of Police of the Metropolis is responsible for maintaining the Queen's peace and has direction and control over officers and staff operating within the Metropolitan Police Service. The Commissioner is responsible for the overall governance of the Met, and so for establishing and maintaining appropriate governance arrangements and risk management processes, and for ensuring that there is a sound system of internal control which facilitates the effective exercise of these functions. The Commissioner is required to appoint a professionally qualified Chief Financial Officer (CFO) for the Met. Under the Police Reform and Social Responsibility Act 2011 the CFO has a personal fiduciary duty for the proper financial administration of the Met. As an independent legal entity or corporation sole, the Commissioner is also required to produce an Annual Governance Statement (AGS).

Met objectives and operating environment

The Met's mission is to keep London safe for everyone. The Deputy Mayor for Policing and Crime holds the Met to account against the Mayor's Police and Crime Plan. The Met sets out how these priorities are delivered in partnership with stakeholders, through the Met Direction – its strategy to 2025 - and through its Business Plan and a quarterly performance monitoring process. The Mayor's Office for Policing and Crime (MOPAC) holds the Commissioner to account for efficient and effective policing, management of resources and expenditure.

The **Met Direction** and our annual Business Plan set out three operational priorities: focus on what matters most to Londoners; mobilise partners and the public; and achieve the best outcomes in the pursuit of justice and in support of victims. The Met wants to continue to develop its internal capabilities. To achieve this it focuses on four enabling priorities: seize the opportunities of data and digital tech to become a world leader in policing; care for each other, work as a team, and be an attractive place to work; learn from experience, from others, and constantly strive to improve; and be recognised as a responsible, exemplary and ethical organisation.

The Met priorities are delivered through a workforce of 44,000, including 31,750 police officers, 1,800 MSC, 9,400 staff and 1,200 PCSOs organised in four operational Business Groups: Frontline Policing, Met Operations, Specialist Operations and Professionalism. In addition Corporate Services enables the Met through strategy and governance, people, transformation, finance, commercial services, property, legal, and media and communication. Digital Policing supports the Met information, communications and technology needs.

We face a challenging environment as London changes, crime behaviours adapt and perceptions of crime and expectations of policing activity evolve. The capital faces high levels of threats in terrorism, serious organised crime, and cyber-criminality. In addition to using tried and tested methods we need to be innovative and explorative in our policing approach. To meet these demands the Met must have a responsive system of governance, with clarity around the mechanisms, processes and relationships through which the organisation is directed and controlled. We are mindful that governance is as much an organisational culture as a set of rules and that good governance evolves with the organisation. Responsive governance will help to create a police service that can deliver on our priorities.

The Met is driving significant organisational change with the aim to increase effectiveness and efficiency, and to focus resources on priority areas, providing the best possible service to Londoners. There are ten live programmes in the Transformation Portfolio including circa 100 projects at varying stages, encompassing local policing, public access and engagement, investigations, technology and data, and estate.

Financial context

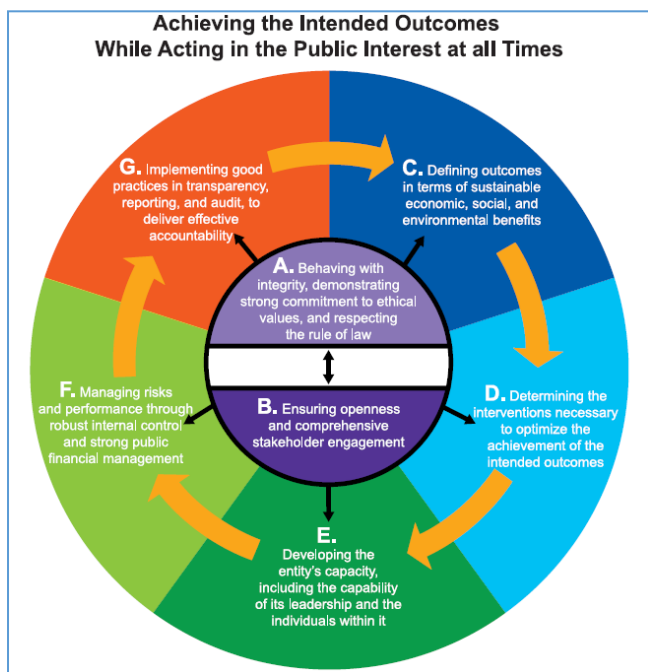
As with other public services, the Met finds itself delivering against ambitious priorities with constrained resources and a significant level of uncertainty around future funding. The Met received a number of short term injections of additional funding, principally to support the delivery of the Government's commitment to recruit an additional 20,000 officers. But even with these, there remain significant financial pressures in the coming years. The Met budget submitted to MOPAC in February 2020 plans a balanced budget in 2020/21 but a funding gap increasing to circa £480 million in 2023/24. The main driver behind this gap is the lack of clarity around medium term funding for officer uplift, highlighting the need for certainty over

future funding settlements from Government. We continue to explore savings options to help bridge the gap, but as £850 million of savings have already been delivered since 2012 with a further £115m already planned by 2023/24, it is not possible to close the gap by further savings and efficiencies alone.

We have an ambitious capital programme with a proposed expenditure of circa £1.5 billion to 2023/24. This programme is designed to modernise the Met infrastructure, as well as being an important enabler for planned savings in resource budget. The programme focuses on delivering a reducing but modernised estate and substantial digital investments to drive productivity. This is set out in detail in the published MOPAC/Met Capital Strategy. Given the Government commitment to recruiting additional officers, the estates strategy is being reviewed in light of the likely change in the Met’s workforce size.

The Governance Framework

The Met has developed its governance model in accordance with the CIPFA/ International Federation of Accountants (IFAC) International Framework for Good Governance in the Public Sector (July 2014) and subsequent CIPFA/SOLACE Delivering Good Governance in Local Government Framework (April 2016) and Guidance for Policing Bodies in England and Wales (July 2016). This AGS explains how the Commissioner of Police of the Metropolis has complied with the Code for the financial year 2019/20 and meets the requirements of section 6 of the Accounts and Audit Regulations (England and Wales) 2015 in relation to the publication of a statement on internal control.



In adopting this framework the Met accepts that:

- a) **Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.**
 - Defining outcomes in terms of sustainable economic, social and environmental benefits;
 - Determining the courses of action needed to best achieve our intended outcomes;
 - Developing the Met’s capacity, including the capability of its leadership and the individuals within it;
 - Managing risks and performance through robust internal control and strong financial management;
 - Implementing good practices in transparency, reporting and audit to deliver effective accountability.
- b) **The fundamental function of good governance in the public sector is to ensure that entities achieve their intended outcomes while acting in the public interest at all times.**
 - Ensuring openness and comprehensive stakeholder engagement;
 - Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of the law.
 - In developing the Code and this AGS, fourteen key areas of governance, including controls and processes, have been updated and explored in our annual review of effectiveness for 2019/20. These are:

Defining outcomes in terms of sustainable economic, social and environmental benefits	
1	Processes for setting objectives and targets that deliver on the Mayor's Police and Crime Plan priorities, and for defining strategic issues facing the Met.
2	A strategic planning framework for establishing and scheduling operational priorities, finance and resource allocations, transformational change and our roadmap to delivery.
Determining the courses of action needed to best achieve our intended outcomes	
3	Decision-making structures, processes and information that direct and control activity to achieve strategic outcomes and deliver on strategic plans.
4	Monitoring processes and data through which performance against operational, financial, change and other strategic plans is managed and key issues identified and tasked.
Developing the Met's capacity, including the capability of its leadership and of individuals in it	
5	Means to assess capabilities and meet the training, learning and development needs of officers and staff in relation to their roles, aligned to the Met priorities.
6	Appropriate governance of commercial contracts, partnerships, research relationships and other collaborative working to improve delivery of plans, priorities and outcomes.
Managing risks and performance through robust internal control and strong financial management	
7	The risk management processes by which the Met identifies and seeks to prevent and mitigate key risks.
8	Effective financial stewardship and financial controls including financial instructions, a scheme of delegation and instruments that support service delivery and achieve value for money.
Implementing good practices in transparency, reporting and audit to deliver effective accountability	
9	Robust assurance and audit processes by which the Met ensures accountability and assures Management Board, MOPAC and the public that controls are working effectively.
10	Processes that support compliance and organisational learning, good governance and a culture sustaining transparency and trust, including around potential complaints, misconduct or fraud.
Ensuring openness and comprehensive stakeholder engagement	
11	Clear arrangements for communication and engagement with all sections of the community and stakeholders to improve outcomes and build trust and confidence.
12	Information Management processes that enable access to high quality data and information, including Freedom of Information Act and public requests, whilst assuring information security.
Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law	
13	Ensuring familiarity and compliance with relevant laws and regulations, internal policies and procedures, and ensuring that activity and expenditure is lawful.
14	Developing, communicating and embedding ethical standards, codes of conduct and the standards of behaviour for officers and staff.

Annual review of effectiveness

The Met is statutorily responsible for conducting, at least annually, a review of the effectiveness of its system of internal control and so, of its governance framework and compliance with its Code. This occurs between February and May when governance areas are explored with senior leaders and evidence is analysed from a broad body of relevant sources. This includes: Senior Leaders Statement of Internal Control; Internal and External Audit and Inspection including opinion; and Risk and Assurance activity including review of progress against AGS Improvement Areas. Management Board members and their extended command leads have, for the 2019/20 fiscal year, been required to consider and authorise a Statement of Internal Control for business areas under their supervision. These statements, completed by 65 Command leads in 2019/20 supporting seven Management Board Statements, clarify the extent to which members were satisfied that key processes and internal controls in their area of responsibility operate effectively. In addition this review of the Met's internal control environment has been informed by our Corporate Risk Register which details key business risks and controls, and through Board reports and analysis on operational, transformation and financial matters. We have considered audit and inspection including by Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS), our external auditor Grant Thornton LLP, and our internal auditor the Directorate of Audit Risk and Assurance (DARA). For 2019/20 we have included analysis of the Met's 2019 Staff Survey and progress against our published 2018-21 governance improvement areas. During 2018/19 we developed 10 governance improvement plans with Met leads, in response to areas identified in our previous internal control review and Annual Governance Statement. We have referenced these areas of evidence in our review of key controls during 2019/20, focusing our analysis on areas of concern with a summary of activity in other areas.