

MOPACMAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

MPS-MOPAC JOINT AUDIT PANEL

18 January 2021

Met Risk Management Report

Report by: Chief of Corporate Services

Non restricted paper

Report Summary

Overall Summary of the Purpose of the Report

This report provides an overview of the Met's corporate risks and the status of their controls.

In terms of progress against our corporate risks, fourteen are assessed by the risk owners and working leads to be 'green'; two risks are assessed to be 'amber' and one 'red'.

As requested by Audit Panel in July and building upon the update provided in the last report, further information on the plans to increase risk maturity across the Met is outlined.

Key Considerations for the Panel

Risk and Assurance Board met on 1 December and noted the significant reviews of the violent crime, public and local engagement and legitimacy risks. For those risks reporting limited or slipped progress, risk owners provided a response to Risk and Assurance Board as to the reasons why.

Risk and Assurance Board discussed and challenged the progress of key controls on a number of other risks (including those assessed as 'on track') to test consistency in approach.

A new approach to tracking legitimacy was agreed at the meeting; a new 'Trust' indicator will be introduced to each risk for the next report to align our risk work even more closely to our vision to be the most trusted police service in the world.

Interdependencies/Cross Cutting Issues

- The Met's governance improvement plans reported in a separate paper to this meeting include controls for some of our risks

Recommendations

The Audit Panel is recommended to:

- Note the Met's key risks and the governance that is in place to ensure these are effectively managed.

1. Corporate risk update

- 1.1. A summary of the Met's refreshed corporate risk register, which sets out the significant short and long term risks, is attached at **Appendix A**.
- 1.2. We have provided information on four of the risks at **Appendix B** including risk appetite and the key controls in progress to improve the position of the risk. It sets out the status of those controls and provides an overall assessment on the progress being made towards achieving the 'target score' with four possible options: On track; Limited; Slipped and No progress. For all risks, each risk owner and working lead has reviewed their risk area and agreed the controls shown in the template at **Appendix B**. Detailed templates for all risks can be provided if required.

Risk position update

- 1.3. Fourteen risks are reporting a 'green' status and on track this quarter. One risk has seen a reduction in score following a review, however this is still one of two risks assessed to be 'amber' in terms of progress this quarter. The technology risk is for the second quarter considered 'red' as progress remains as 'slipped'.

'On track' risks to note are:

- 1.4. **CONNECT (risk 3 – short term):** The CONNECT programme is undergoing a re-planning exercise which is likely to impact on the timeline for delivery as it may delay the 'go-live' date (due to software delivery problems). The overall programme is therefore assessed at 'red', however, this particular risk is still being worked on according to current milestones / timelines and progress is on track – therefore the progress on this risk is still shown as 'green'. It is anticipated that for the next Risk and Assurance Board in March, this risk will reflect the position with more certainty following the outcome of the re-planning exercise over the coming month.
- 1.5. **Money (risk 7 – short-term):** The target date has been extended to March 2021 as we will only know whether all the controls implemented have been successful at the end of the financial year. The current score and progress status is therefore reflective of the progress made up to date and whilst progress has been good, there is always a risk that expenditure will increase.
- 1.6. **Public and Local Engagement (risk 9 – short-term):** A comprehensive review of the risk has taken place to ensure it reflects engagement with black communities and current pandemic situation. As a result the risk description was amended and agreed by Risk and Assurance Board. Another outcome from the review is an amendment to the target score; this is considered to be a realistic level of what can be achieved, particularly with regards to the impact score (high). Although the controls have been reviewed (with some additions and others removed), the current score has remained the same.
- 1.7. **Legitimacy (risk 16 – long-term):** The controls for this risk have been reviewed and are now focused on emphasising to stakeholders and the public the complexity of policing, our primary focus on the prevention and detection of crime and our (current) role in supporting national efforts to suppress the coronavirus.

‘Limited’ risks to note are:

- 1.8. **Violent Crime (risk 1 – short-term):** Violence in London is reducing, partly due to Covid-19, however pre-Covid-19 the violence trends were also showing reductions. This quarter, the risk controls have been comprehensively reviewed and now reflect all six strands of work to reduce violent crime; as a result the likelihood risk score has been reduced from high to medium, changing the overall risk score to a red risk. The ongoing work against violence from all areas of the Met is embedding and will continue to impact on violence, however more needs to be delivered against some strands of work and increase confidence in order to be able to see the risk meet its target score. This risk is intrinsically linked to both Public and Local Engagement risks and the Legitimacy risk and the significant overlaps will be explored over the forthcoming quarter to ensure consistency. To support this, an additional Working Lead (Commander Frontline Policing) has been appointed alongside the Head of Profession for Crime Prevention, Inclusion and Engagement.
- 1.9. **Capability (risk 12 – long term):** Progress remained limited as the timescale for Portfolio Investment Board to receive the investment case had slipped from October to December (originally September) due to the changed Business Design Authority dependency for the Learning Target Operating Model (TOM) detailed design. Without investment, Learning & Development will remain unable to effectively manage existing risks in relation to compliance or drive robust blended learning in support of managing prevailing supply vs demand risks. *Panel should note that the Learning TOM was approved at December’s PIB meeting.* Ahead of the next Risk and Assurance Board, this risk will be revised to ensure that it is not solely focused on the technological controls.

‘Slipped’ risk to note:

- 1.10. **Technology (risk 14 – long term):** The position of this risk continues to be of concern; this is the second quarter it has been shown as slipped and it is considered by the risk owner to be slipping further. Whilst progress has been limited over the last year due to the high dependency on others and culture within both MOPAC and Met, removing innovation funding to support over spend in other areas of the Met will increase the risk of the Met not achieving its ‘digital’ ambition. The lack of progress in developing a consistent approach to use of Artificial Intelligence (AI) within Policing and insufficient resources to deal with the ‘regulatory’ requirements i.e. DPIAs etc. is another contributory factor for the deteriorating position of this risk, though the Met Management Board have recently had a discussion around our approach to AI and as a result a strategic intent is being drafted.

Legitimacy – a new approach

- 1.11. Risk and Assurance Board on 1 December 2020 agreed to the introduction of a new approach to track legitimacy across all corporate risks. A ‘Trust’ indicator be applied to each corporate risk and each quarter, the respective risk owner will indicate a status of either improving, worsening or unchanged. This status will be predicated on criteria specific to each risk based on the key performance indicators already identified for each risk i.e. public attitude/perception surveys, number of complaints, engagement scores, attrition rates etc. When the Trust

indicator is considered to be worsening, controls within the risk must include focused activity to improve areas of concern and the risk owner should provide specific detail within the quarterly update to assure Risk and Assurance Board of the additional steps being taken to improve trust related to the risk.

- 1.12. The preliminary position will be applied to each risk for the next report in March.

Risk Maturity

- 1.13. The risk maturity model rates the level of maturity on a 1 to 5 basis, 1 being the lowest score (starting to embed risk management) up to 5, the highest (risk management is a key driver for the business). When last assessed, risk maturity was level 3, however, it is recognised that this has not been tested internally for some time.
- 1.14. Progress is being made to simplify the risk maturity process and the question set has been significantly reduced. Steps are now in train in to align it to structure of the Health and Safety risk maturity assessments and dovetail into the internal statement of control and Annual Governance Statement processes. Activity will commence early in 2021 commensurate with the AGS and statement of internal control process timescales.

2. Equality and Diversity Impact

Individual control owners should ensure that their work to prevent and mitigate corporate risk has a positive race and diversity impact. Equality impact assessments will be undertaken on significant programmes of work.

3. Financial Implications

It is anticipated that the costs associated with the areas of work identified in the register will be met from the relevant unit's staff and officer budgets. Any funding required over and above these existing budgets will be subject to the normal MOPAC/Met governance approval and planning processes.

4. Legal Implications

There are no direct legal implications arising from the recommendations contained in this report. Regulation 3 of the Accounts & Audit Regulations 2015 requires both the MOPAC and the Commissioner, as relevant authorities, to ensure that they have a sound system of internal control, which includes effective arrangements for the management of risk.

5. Risk Implications

The corporate risk report assists the Met to manage and track risk to the achievement of organisational objectives focusing particularly on whether controls are fit for purpose and manage risk areas as intended.

6. Contact Details

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7. Appendices and Background Papers

Appendix A – Summary of corporate risks and heat maps – January 2021

Appendix B – ‘Road to target’ assessments for example corporate risks – January 2021 – Official Sensitive

SHORT-TERM

Ref	Risk Trend	Risk Description	Risk Owner	Working Lead(s)	Target position
1 M v VH	↓	VIOLENT CRIME Our efforts with partners and communities fails to sustainably reduce violent crime	AC Frontline Policing	Head of Profession – CP, Inclusion & Engagement Commander Frontline Policing	M v M
2 M v VH	↔	WELLBEING Failure to look after the wellbeing of our staff at a time where usual working practices are challenged (due to Covid-19), leading to a lack of employee confidence, poorer engagement and poor performance	Chief of Corporate Services	Director of HR	L v VH
3 M v H	↔	CONNECT Implementation of CONNECT severely undermines operational performance	AC Frontline Policing	SRO CONNECT Programme	L v M
4 L v H	↔	BREXIT New post-BREXIT arrangements for cross-border cooperation are inadequate to manage the risk posed by dangerous offenders in London	Deputy Commissioner	DAC Operations	L v H
5 L v H	↓	GOVERNANCE Failure to enable BAU and drive change and innovation in an agile way with proportionate controls which provide MB with the assurance they need on the effective use of public money	Chief of Corporate Services	Director of Strategy and Governance	L v L
6 M v H	↓	ORGANISATIONAL AGILITY Failure to be organisationally agile	Deputy Commissioner	DAC Professionalism / Director of Strategy & Governance	M v H

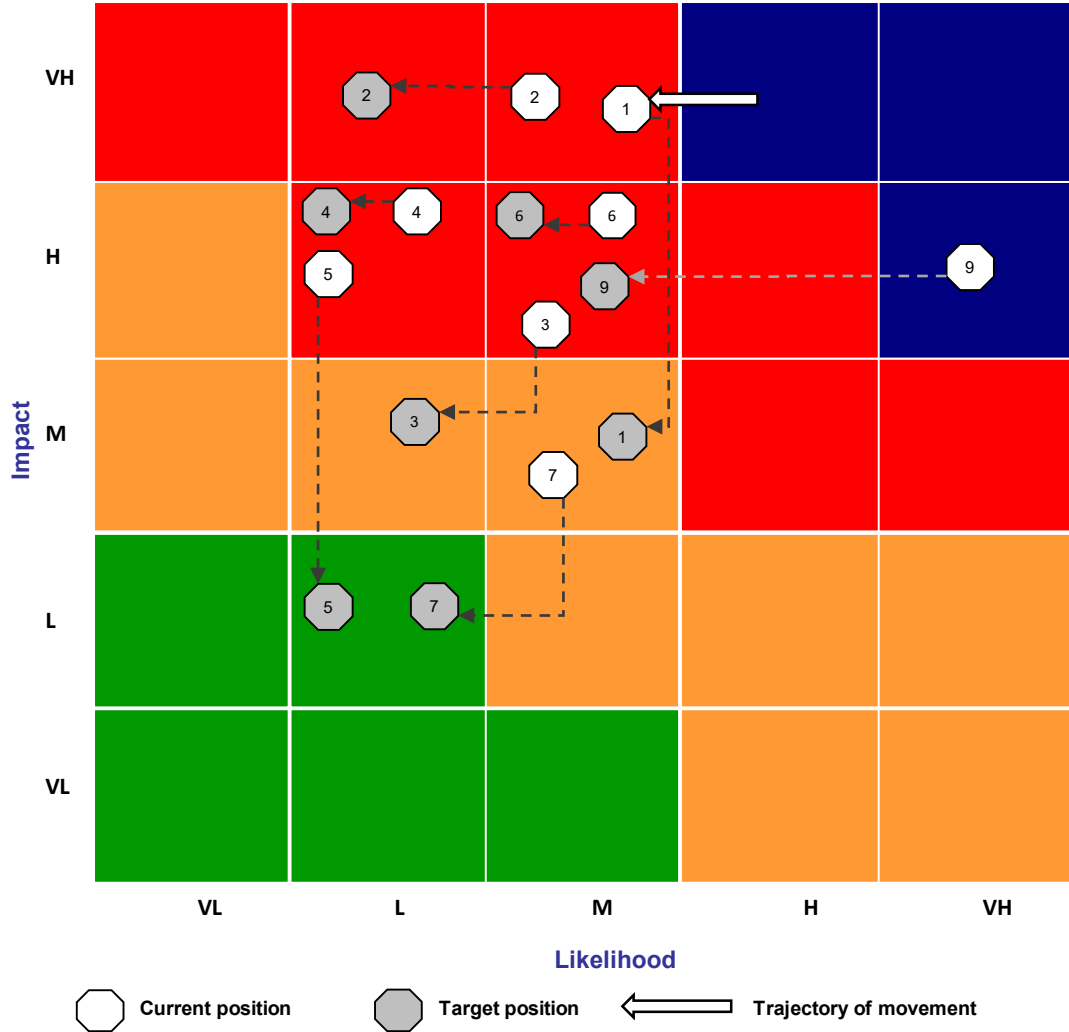
SHORT & LONG-TERM

Ref	Risk Trend	Risk Description	Risk Owner	Working Lead(s)	Target position
7 M v M	↓	MONEY (SHORT) High risk of overspend as a result of currently unfunded Covid-19 costs, risks of lost income; and other in-year pressures, with inadequate mitigations to cover all risks, could require disruptive action to control spending in the latter half of the year which impacts adversely on performance	Chief of Corporate Services	Head of Finance	L v L
8 H v H	↔	MONEY (LONG) Highly unpredictable financial outlook undermines ability to plan effectively; coupled with an inadequate efficiency strategy at present, risks undermining operational performance; sub-optimal decision-making and potentially an unbalanced organisation with additional funding for officers but savings required to other budget lines.		Head of Finance / Director of Strategy and Governance	M v M
9 VH v H	↔	PUBLIC & LOCAL ENGAGEMENT (SHORT) Levels of confidence in policing from London's black communities is further affected by the impact of using force, stop and search and the consequences of Covid-19 and BLM, or the perception of these.	AC Professionalism	HoP – CP, Inclusion & Engagement	M v H
10 M v H	↔	PUBLIC & LOCAL ENGAGEMENT (LONG) Failure to engage effectively to address appropriate priorities and manage community expectations will have negative impact on public confidence and policing legitimacy			M v M

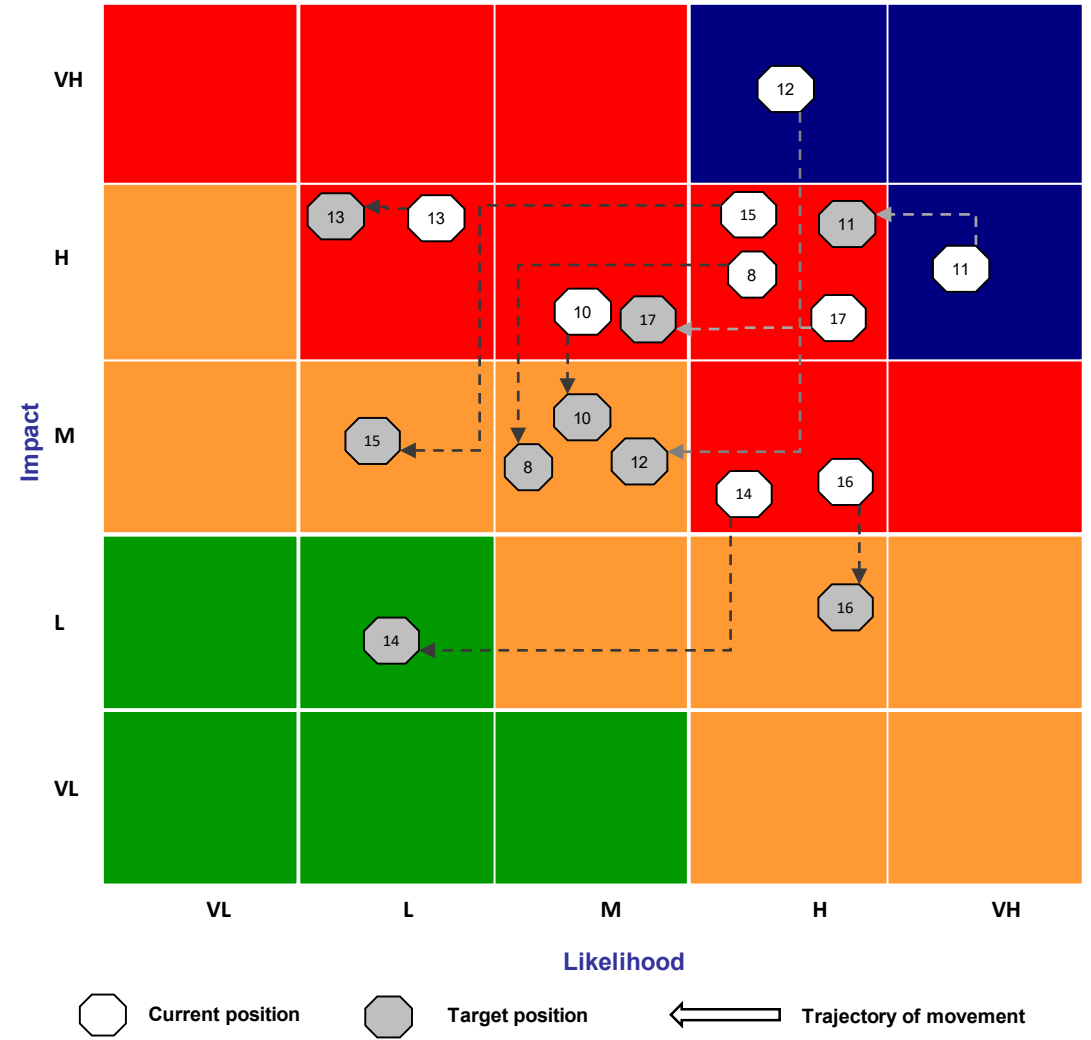
LONG-TERM

Ref	Risk Trend	Risk Description	Risk Owner	Working Lead(s)	Target position
11 VH v H	↔	PEOPLE Failure to attract, recruit and retain a diverse and representative workforce and support their progression within the organisation	Chief of Corporate Services	Director of HR	H v H
12 H v VH	↔	CAPABILITY Failure to ensure our workforce is appropriately skilled to deliver effectively in a changing environment	AC Professionalism	Director Learning	M v M
13 L v H	↔	COVID-19 Met Service delivery fails as a result of sustained disruption caused by Covid-19	DAC Matt Twist	DAC Matt Twist	L v H
14 H v M	↑	TECHNOLOGY Conservative approach to implementing technology impedes delivery – reduces ability to capture benefits, in particular qualitative benefits, of technology.	Chief Information Officer	Digital Policing Directors Director Strategy & Governance Transformation Director Director of Commercial Services Heads of Profession	L v L
15 H v H	↔	CRIME PREVENTION Insufficient and ineffective crime prevention fails to prevent victimisation and undermines community confidence in policing	AC Professionalism	Head of Profession – CP, Inclusion & Engagement	L v M
16 H v M	↔	LEGITIMACY Legitimacy in the Met is weakened because we fail to strike the right balance of ethical and effective policing in light of new and emerging tools and tactics	Deputy Commissioner	Head of Intelligence Cmdr Frontline Policing	H v L
17 H v H	↔	ESTATES Failure to adapt sufficiently to new ways of using our buildings results in higher estate costs than affordable; and / or budgetary caps on estates spending resulting in estates provision that doesn't align sufficiently to operational requirements	SRO Estates Programme	Director of Property Services	M v H

SHORT-TERM HEAT MAP



LONG-TERM HEAT MAP



Alignment with Met Direction pillars

Focusing on what matters most to Londoners			4,13,15,	
Mobilising partners and the public			1, 10	
Achieving the best outcomes in pursuit of justice and in the support of victims				
Seize the opportunities of data and digital tech to become a world leader in policing			3, 14	
Care for each other, work as a team and be an attractive place to work			2, 17	
Learn from experience, from others and constantly strive to improve			5	12
Be recognised as a responsible, exemplary and ethical organisation		7	6, 8, 16	9, 11