

MOPAC Annual Governance Statement 2013/14

1. Introduction

This Statement sets out how the Mayor's Office for Policing And Crime (MOPAC) complies with the requirements of the Framework of Good Corporate Governance and provides assurance that governance is being managed through a number of internal mechanisms. Some mechanisms are, still being developed while some are fully in operation.

The purpose of the Annual Governance Statement is to provide a continuous review of the effectiveness of MOPAC's governance arrangements including internal control and risk management systems. Addressing issues raised as part of the Annual Governance Statement is a vital part of this process to demonstrate and ensure that improvements are being made within MOPAC.

2. Scope of Responsibilities

MOPAC is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively.

The business to be conducted by MOPAC is set out in the Police Reform and Social Responsibility Act 2011. The Commissioner of the Police of the Metropolis is accountable in law to MOPAC for the delivery of efficient and effective policing, management of resources and expenditure by Metropolitan Police Service (MPS). MPS has its own annual governance statement supporting its own internal control and risk systems.

Under the Local Government Act 1999, MOPAC has a statutory duty to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. In discharging this overall responsibility, MOPAC is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the exercise of its functions, including a sound system of internal control and management of risk.

3. The Purpose of the Governance Framework

The governance framework comprises the systems, processes, culture and values by which MOPAC is directed and controlled and the activities through which it is accountable to and engages with the community. It enables MOPAC to monitor the achievement of its strategic objectives and oversight of MPS and to consider whether the objectives have led to the delivery of appropriate, cost-effective services, including its appetite for risk and achieving value for money.

MOPAC's risk management framework is maturing and once fully developed, it will support effective decision making and provide assurance that risk is managed effectively at all levels in MOPAC.

There is evidence that the appetite for measured risk and risk maturity is moving upwards. Senior Leadership Team is taking the lead to embed risk management within roles and

responsibilities. Resources are in place to further implement risk management processes to ensure that it is fully embedded.

MOPAC's risk management framework as suggested is not fully developed or embedded. As a result, the internal control environment cannot at this stage be judged to be fully effective. This is in line with the opinion of MOPAC internal auditors (DARA). Section 6 of this report sets out the areas for improvement.

4. The Governance Framework

A MOPAC CODE OF CORPORATE GOVERNANCE.docx has been approved and adopted. This code sets out how MOPAC is governed using the six good governance core principles as the structure for setting out the statutory framework and local arrangements which went through significant changes in 2013/14.

The Deputy Mayor for Policing and Crime is required to hold the Commissioner to account for the exercise of operational functions and those of the persons under his direction and control. The Commissioner of Police of the Metropolis is the head of London Metropolitan Police Service (MPS) and is responsible for operational policing matters, the direction and control of police personnel, and for putting in place proper arrangements for the governance of Metropolitan Police Service.

The Commissioner of Police of the Metropolis is responsible for ensuring that the Metropolitan police governance arrangements are complied with. The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable and foreseeable level. There is a Joint Audit Panel whose function is to provide independent assurance on the adequacy and effectiveness of MOPAC and MPS internal control environment and risk management framework.

MOPAC's wider remit as contained within the Police and Social Reform Act 2011 includes monitoring London's criminal justice system. This is partly done by setting within the Police and Crime Plan a series of challenges and objectives across the police and criminal justice system.

The section below describes the key elements of the systems and processes that comprise MOPAC's governance arrangements. It explains what has been put in place to ensure that these systems and processes are linked to each other:

4.1 Reviewing MOPAC's governance arrangements

The governance arrangements for MOPAC were developed in line with the 2011 Act, Statutory Policing Protocol, Home Office Financial Management Code of Practice (FMCP) and existing guidance on financial and governance matters. The first year review of the Police and Crime Plan, publication of the code of corporate governance and the decision making framework documents will continue to reflect the governance arrangements and that MOPAC remains fit for purpose.

Recording of MOPAC's activities

➤ Annual Report

MOPAC is required to produce an Annual Report. The Annual Report will be presented for consideration to the London Assembly Police and Crime Committee at their July 2014 meeting. The report is an opportunity for MOPAC to report upon progress in relation to activities, achievements, financial position and performance and it will be communicated widely.

4.2 Measuring the quality of services for users, ensuring they are delivered in accordance with MOPAC's objectives and that they represent the best use of resources

The Deputy Mayor for Policing and Crime (DMPC) fulfils the accountability role through a number of mechanisms:

- Monthly bilateral meetings take place between the DMPC and the Commissioner to discuss performance issues including finance. Notes of meetings are published on the website.
- The Joint Asset Management Panel meets on a monthly basis to provide advice to the DMPC to ensure MOPAC has an estates strategy that will deliver the Police and Crime Plan, and to oversee the strategic direction of the Mayor and the operational requirements of the Commissioner with regard to estate matters.
- Joint Investment Board also meets on a monthly basis to provide advice to the DMPC and ensure that MPS investment decisions support the delivery of the Police and Crime Plan.
- Oversight Board holds the MPS to account for delivering its priorities, and it also has overarching responsibilities for crime reduction in the capital and significant powers to commission services. All MPS strategies are jointly owned with MOPAC to facilitate more effective working relationships with partners across the Criminal Justice sector.
- The London Crime Reduction Board chaired by the Mayor meets quarterly. Its membership comprises of the DMPC and London Council Leaders, the Commissioner or Deputy Commissioner also attends. It has an underlying principle of improving accountability between partners through the delivery of an agreed partnership strategic plan.
- MOPAC Challenge meets on a monthly basis to examine themes across policing and criminal justice. On a quarterly basis the Board is chaired by the Mayor, where the Commissioner and his Senior Management Team are held to account for crime performance and public confidence.
- Non-Executive Advisors provide advice to the Deputy Mayor for Policing and Crime on the implementation of MOPAC's mission and priorities, highlighting areas of risk or concern.
- Ad-hoc meetings are held between the DMPC and senior police staff and senior stakeholders, including Criminal Justice colleagues and Ministers.

The Joint Audit Panel meets quarterly and provides independent assurance on the adequacy and effectiveness of MOPAC/MPS internal control environment and risk management framework which contributes to enhancing public trust and confidence in the governance of MOPAC and the Metropolitan Police Service (MPS).

MOPAC have a number of internal panels and Meetings to ensure it is discharging its duties of providing oversight to the MPS and delivering the Police and Crime Plan pledges and address any gaps that are identified:

- Senior Leadership Team (SLT) is chaired by the Chief Operating Officer and in her absence a Director. It comprises Senior Managers in MOPAC. SLT is responsible for the leadership, strategy and priorities of the organisation as defined within the Police and Crime Plan (PCP). It monitors operations that will deliver the PCP; it also ensures the delivery of the Business Plan and its inherent risks and the budget, and for the overall day to day running of MOPAC.
- The Chief Operating Officer and Directors meet on a regular basis to ensure that all MOPAC business and identified gaps are addressed and to discuss the trajectory of MOPAC's mission and the strategic direction of MOPAC.
- 20:20:20 Criminal Justice Board and Police Board - both Boards are attended by senior officers in MOPAC and drive the results in achieving the PCP priorities and delivery of the objectives. Terms of Reference of the boards are currently being developed.
- Business Planning meetings are held with Team Managers by the Strategy and Corporate Planning Team to review progress against the business plan and performance review.
- Directorate and Team meetings are held in all MOPAC teams, to ensure that there is a bottom up approach of tying in individual roles and responsibilities with the overall business plan to ensure delivery of the PCP.

A performance framework in support of the delivery of the Police and Crime Plan is being developed which will provide an effective framework to monitor delivery of each aspect of the Police and Crime Plan and clearly state the respective roles and responsibilities of relevant persons.

4.3 Setting out clear delegation arrangements and protocols for effective communication, and arrangements for challenging and scrutinising MPS' activities

The roles and responsibilities of the various advisory panels outlined above are clearly defined in their individual terms of reference and there are role descriptions for the Deputy Mayor for Policing and Crime, his Executive Advisors and members of the Audit Panel.

The governance framework, including the scheme of consent, decision making framework and supporting financial and contract regulations define and document the roles and responsibilities of MOPAC and MPS. All MOPAC decisions are published and available for public scrutiny.

4.3.1 The Scheme of Delegation and Consent at this [Link.pdf](#) sets out approval delegations and in particular, states business cases for revenue and capital expenditure, budget virements and or movement sponsorship above £500,000 be delegated to the Deputy Mayor for Policing and Crime.

4.4 Developing, communicating and embedding codes of conduct, defining the standards of behaviour for the Mayor as occupant of the MOPAC and the DMPC, officers and staff

The Mayor and the DMPC are governed by the GLA code of conduct for members. There is a MOPAC staff handbook in place which includes a code of conduct of staff, declaration of gifts and hospitality and staff declaration of Interest.

The joint Anti-Fraud Strategy and implementation plan has been endorsed by the Audit Panel, and includes the development of a cohesive framework governing all aspects of anti-fraud and corruption activity and integrating the identification, and management of fraud risk within the existing corporate risk management framework.

4.5 Ensuring compliance with relevant laws and regulations, internal policies and procedures and that expenditure is lawful

MOPAC has a duty to ensure that it acts in accordance with the law. This responsibility is fulfilled through the MOPAC governance framework and compliance is reviewed on a regular basis in particular on a quarterly basis at the Audit Panel.

Professionally qualified staff occupy key roles throughout MOPAC with external advice sought as and when needed. The Chief Operating Officer is the Monitoring Officer.

The Director of Audit Risk and Assurance reports on the effectiveness of MOPAC's systems of internal controls, making recommendations for improvement where appropriate. The Director's view has been accommodated within this Statement in relation to MOPAC's system of internal control and management of risk.

All MOPAC decisions state the legal implications.

4.6 Whistleblowing, receiving complaints from the public and handling citizen and other redress

Complaints made about MOPAC staff are initially dealt with by the relevant line manager, and brought to the attention of the relevant director and can be referred on to the Company Secretary if need be.

Complaints made by the Mayor as occupant of the MOPAC or the DMPC are the responsibility of the GLA's Police and Crime Committee. They have delegated this

responsibility to the Monitoring Officer at the GLA, unless it is a conduct matter or serious complaint in which case it will be referred to the IPCC.

MOPAC is also responsible for considering complaints made against the Commissioner. MOPAC has a whistleblowing policy for its own staff and DARA is one of the contact points for reporting wrongdoing within both MOPAC and the MPS.

4.7 Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation

MOPAC is committed to getting Londoners involved in, and giving them a say in how they are policed with a range of different methods being used to engage and involve individuals, groups and communities.

This is based on a three-tier structure that filters up from:

- Ward levels, to
- Borough levels to
- Pan-London level.

The above mentioned structure provides MOPAC and the MPS with opportunities to hear community concerns, receive community advice in relation to critical incidents, to have public accountability of the use of certain policing powers and to inform policing and crime priorities at both local and pan-London levels.

Ward level

Safer Neighbourhood Panels are being established in every ward. Where these are not already in existence, MOPAC is working with Communities to get these launched. Youth panels are also being created, as well as Safer School Partnerships.

Borough level

At the borough level, there are Community and Police Engagement Groups, borough independent advisory groups and stop & search community monitoring groups.

The Deputy Mayor for Policing and Crime has an active programme of public engagement.

The first tranche of “Your Police, Your Neighbourhood” Town Hall events was recently completed with the second tranche taking place in the autumn of 2014. The aim of the events is to give Londoners the chance to comment on recent changes to improve local policing and make neighbourhoods safer.

MOPAC is currently establishing Safer Neighbourhood Boards in every borough. These boards will scrutinise local policing and crime priorities and fulfil a range of functions including monitoring public complaints and confidence in the area.

There is a lead officer within MOPAC to ensure effective oversight of community engagement, both within MOPAC and the MPS with the practical implementation of community engagement continuing to be supported by the work of a broad section of MOPAC, through monitoring and review and the specialist support of its Area Teams.

Formal oversight of this area will be managed through MOPAC's performance and oversight framework, which includes the publication of relevant performance data and the review of key issues at MOPAC performance and business planning meetings and MOPAC Challenge as appropriate.

Pan-London level

London wide, this includes the consultation on the Police and Crime Plan and consultations in relation to the strategies that will flow from the Plan which are set out in the Annual Report. In addition, targeted engagement takes place at both a London-wide and borough level as and when required.

5. Review of Effectiveness

MOPAC has responsibility for conducting regular reviews of the effectiveness of the governance framework, including the system of internal audit and the system of internal control.

This review will be continuous with a programme of reviews of governance policies to ensure they meet the demands and needs of MOPAC. To ensure that this is the case, there will be a regular review by Directorate of Audit, Risk and Assurance (DARA) in MOPAC. The review will include research into best practice, update of the framework and provision or update of any resulting policies. Any changes will be the subject of a decision and will be published.

The Audit Panel receives quarterly reports on governance issues, including the development of the Annual Governance Statement for inclusion in the Annual Statement of Accounts. It will ensure that there is continuous improvement and will endorse the resulting action plans.

6. Governance Issues for Improvement

Some governance issues were identified through carrying out the 2013/14 Governance Improvement process. Consideration was also taken of DARA's audit opinion, which identified some areas of governance as needing improvement which will further improve our approach to governance and the control environment throughout MOPAC. The following issues are currently being addressed and will continue to be improved over the next twelve months.

Areas for improvement currently being developed to further enhance governance are identified below:

6.1 Internal Governance Framework

- The framework within MOPAC supporting the implementation, monitoring and scrutinising of the Police and Crime Plan (PCP) continues to be developed to ensure that it is fully effective.
- The governance framework will be communicated and embedded across MOPAC to ensure an effective internal control framework in support of achieving policing priorities and objectives.
- The Financial Regulations and Scheme of consent is being reviewed to ensure that it is fit for purpose;

- There is ongoing work to further develop a cohesive framework for all terms of reference for all Panels and committees;
- The respective roles of SMT and SLT will be stated in their respective terms of reference as a lack of clarity may adversely impact on the delivery of agreed objectives and priorities;
- Without clearly defined Terms of reference for each of the 20:20:20 Board interdependencies may not be effectively managed and oversight appropriately focused, which may adversely impact on the achievement of objectives. To ensure that this is not the case, the terms of reference of the boards are at their final stages of being adopted; and
- The business planning framework and guidance to support submissions and decisions will be further developed to ensure that key priorities and objectives are achieved.

6.2 Internal controls

- Controls to be improved to ensure a cohesive approach to business planning and performance is adopted across the organisation and internal governance arrangements are entrenched.

6.3 Corporate objectives and priorities

- Corporate objectives and priorities need to be effectively assessed and prioritised against measurable outcomes to ensure that they are achieved;

6.4 Management of Risk

- Developing a risk management strategy and identifying all risks relating to operations carried out by MOPAC;
- Developing an action plan to manage all risks identified;

6.5 National standards

- Reviewing and updating information required to be published as set out in the Elected Local Policing Bodies (Specified Information) Order 2011;
- Reviewing policies identified in the Governance Improvement Plan to ensure all are up to date and reflect the emerging role of MOPAC;

6.6 Business and financial planning

- Business planning and financial planning to be integrated, as a lack of integration between the business planning and financial planning process may lead to the inappropriate allocation of resources and of key objectives not being achieved.
Meetings to establish resource requirements have not yet taken place but will now be undertaken in line with the Mid-term Financial Strategy due for publication in the summer of 2014.
- The lack of integration of all available performance data and effective oversight may mean that issues relating to delivery are not promptly identified and addressed.

The areas identified above will be reported in the quarterly Governance Improvement report to the MOPAC/MPS Audit Panel.

It is proposed that over the coming year, MOPAC will take steps to address the above matters which will further enhance our governance arrangements and ensure that MOPAC's governance processes remain effective in a changing environment as we continue to monitor their implementation and operation.

Signed

Signed

Stephen Greenhalgh
Deputy Mayor for
Policing and Crime

Helen Bailey
Chief Operating
Officer