Annual Governance Statement 2024/25
Commissioner of Police of the Metropolis

Contents

Introduction

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

The MPS conducts an annual review of the effectiveness of its systems of internal control and publishes this statutory Annual Governance Statement (AGS) with the Statement of Accounts. The AGS has been completed using input from the relevant senior officers and staff and in consideration of the opinion of the Directorate of Audit, Risk and Assurance (DARA). It also outlines the findings of the MPS's Statement of Internal Control Survey, which seeks the views of senior leaders across the organisation. The survey is aligned to the seven Chartered Institute of Public Finance and Accountancy (CIPFA) Governance Principles (see Appendix).

In summary, the MPS' Statement of Internal Control is that, while there continues to be progress in some areas, there remains a need for further improvement, which is being managed through the now established Effective Controls Action Plan (ECAP). The DARA audit opinion is awaited and will be included once it is published.

Further, Grant Thornton published their Value for Money (VfM) audit of the MPS. The audit concluded that there are significant weaknesses in arrangements relating to financial sustainability, governance and improving economy, efficiency and effectiveness. Grant Thornton issued a number of key recommendations for improvement. Grant Thornton continue to monitor the position regarding financial sustainability, and may consider the appropriateness of issuing a statutory recommendation. All activity relating to the VfM report is being monitored, with quarterly updates being progressed through the MPS' Audit and Risk Assurance Committee (ARAC) and the independent Joint Audit Committee (JAC).

Improvements identified in this report will be tracked as part of an overall assurance process that also measures progress against key recommendations by His Majesty's Inspectorate of Constabulary, Fire & Rescue Services (HMICFRS) and others, and against A New Met for London (NMfL) and the MPS' 2025/26 Business Plan.

The MPS in 2024/25

As the MPS began to recover from the fallout of a number of high-profile issues in the first years of the 2020s, the last 12 months presented new significant strategic challenges, most notably in relation to a serious budget deficit, which has required both reorganisation of MPS resources and service reductions ('Tough Choices').

The MPS budget has been set, once again, amid ongoing work to rebuild the organisation's strategic and financial planning capabilities and, most significantly, at the same as delivering major reform, in line with NMfL, to address the findings of Baroness Casey and HMICFRS. The MPS had a structural funding gap as a result of inflationary pressure on its cost base, along with increased demand pressures and reform ambition - which was not met by equivalent increases in funding. For 2025/26, the funding gap was as high as £450m. To ensure an affordable plan for 2025/26, the MPS was forced to balance its expenditure plans against available income, using all the levers at its disposal: realising efficiencies, reducing services, and scaling back reform under NMfL. Because most of the MPS cost base is people costs, using these levers will ultimately lead to a reduction in the size of the MPS' workforce and a redesign of some of its functions.

The MPS sought to balance spend between operational performance and reform. Rather than making "blanket" savings across the entire organisation, the MPS also made strategic choices to:

- Seek to retain some ability to undertake proactive and preventative activity – but that is not to say it will not be severely compromised.
- Retain a significant focus on public protection.
- Ensure the MPS continues to reform and fix its foundations, supporting the frontline in delivering for London.

Although the MPS received additional income, including from the Mayor's Office for Policing and Crime (MOPAC), and is developing an ambitious efficiency programme, major changes to, and reductions in, the MPS workforce remain necessary. To manage this, an interim capability (the 'Engine Room') will implement the organisational and operational changes needed to address the budget gap, whilst organising and deploying the MPS' resources better.

One significant highlight in 2024/25 was the MPS being moved out of the Engage phase of monitoring by HMICFRS which had been introduced in June 2022. Following regular submissions to the Police Performance Oversight Group (PPOG) on the progress of improvement and reform plans, and as a result of this and the findings in several HMICFRS inspections undertaken throughout 2024/25, the MPS were moved into the standard 'Scan' phase.

In addition to the work undertaken to successfully move out of Engage, HMICFRS conducted a follow-up of the handling of the sexual and criminal exploitation of children in 2024, and found that through a renewed focus on child exploitation, its links to missing children and the language officers and staff use, the MPS has made improvements since its previous inspection. Notwithstanding the progress made, HMICFRS noted more work is needed to further improve these areas and provide a consistently good service. The MPS has embraced this and has begun strengthening gains already made. For example, a new mandatory training course for all officers and staff concerning Victim Blaming has been introduced.

Also, as part of their follow-up activity, HMICFRS reviewed an outstanding PEEL action concerning how the MPS answers calls for service and how it identifies vulnerability at the first point of contact. They found that the recommendations concerning this action have all been completed.

The MPS conducted its annual assessment whereby senior managers across all disciplines were given the opportunity to provide feedback against each of the CIPFA governance areas. This process was supported by the ARAC meeting for 2024/25, in a bid to improve oversight and promote the AGS process wider across all Business Groups. The key findings of this activity were:

- There continues to be increased confidence in behaviour and integrity and processes in places to both identify and manage poor behaviour and misconduct are robust.
- Financial issues are a barrier to some areas of delivery, including those included within NMfL. However, financial management is generally considered strong at business group level, with oversight meetings and budget controls in place.
- Whilst there have been improvements concerning data provision, there are still challenges, with CONNECT being cited as an issue in several responses, as well as concerns over the level of financial data available, and timeliness of access to data.
- Although there were positive comments concerning the Leadership and NMfL training sessions, and the way in which the MPS Learning Management System (LMS) is supporting training and PDRs, there remain concerns around the lack of specific training, which may cause challenges in recruiting and retaining officers and staff.
- Risk management continues to improve, with most business groups noting local risk registers and processes to identify, capture and manage/escalate risks. There are areas where more work needs to be done, which has been recognised, and plans are in place to address this though regular annual risk maturity assessments.
- There are areas of good assurance in the MPS, and financial and performance processes are captured in appropriate level meetings in most business groups.

These findings have been built into the MPS’ improvement plan (the ECAP). Further details can be found in Section 7.

Operationally, 2024/25 was challenging. Operation Brocks, the MPS’ response to the regular large-scale demonstrations relating to the Israel/Hamas conflict, had a significant impact on resources. However, there was significant progress throughout the year:

- Continued to roll out innovation through the use of Live Facial Recognition, which has helped to improve arrests including a number for robbery, violent crime and wanted sexual offenders;

- Rolled out and implemented Crime Management Units (CMUs) across Basic Command Units (BCUs), which facilitate better crime allocation based on vulnerability, proportionality and solvability.
- Continued with the 'V100', which takes all VAWG offences reported to the MPS with a named suspect across a rolling 12-month period and uses a 'crime harm index' to score and identify those who pose the highest risk to women and girls. The work has seen more than 100 of the most dangerous offenders in London convicted as a result.
- Delivering dedicated NMfL training to all non-supervisory ranks and grades including delivering the Mid-Level Leadership Programme for all Inspectors and Band C managers, and rolling out the Senior Level Leadership Programme for all senior managers;
- Launched the London Race Action Plan (LRAP) in September 2024, to enable the MPS to become a service that is more inclusive, diverse and representative of London.

Assessment of current position

1. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

The MOPAC Public Attitude Survey showed that 45% of Londoners agree that the MPS do a *good job locally,* with 36% stating the MPS does a fair job, and only 19% of respondents believing the MPS do a poor/very poor job. This is mirrored in the Crime Survey for England and Wales (CSEW), where 47.9% of respondents surveyed in London agreed police in their area do a good/excellent job. This is in line with the England and Wales average of 48.2 per cent and above our most comparable forces – Greater Manchester Police (GMP) at 44.7%, West Midlands at 43.8% and West Yorkshire at 45.6%.

Internally, the MPS has continued to improve its culture, following the appointment of a dedicated AC for Trust & Legitimacy:

- Designed and built Culture, Diversity & Inclusion directorate;
- Developed and launched the Culture Plan;
- Published the London Race Action Plan (LRAP); and
- Established a dedicated LRAP team.

In response to the MPS senior leadership AGS survey, feedback shows that all business groups recognise that integrity is an area in which the MPS continues to improve, but that there are still misconduct issues being raised and investigated. Confidence is high that there are processes in place to both identify and manage misconduct cases.

DARA published a follow-up audit into the Grievance Management Framework during 2024/25. This area had been formally reviewed during 2023, and DARA reported Limited assurance. However, DARA noted in the follow-up that the control framework is showing clear signs of improvement and have upgraded the assurance rating to Adequate. Improvements noted include promoting the grievance framework, increasing wellbeing and mental health support provisions, and implementing greater understanding of the grievance process.

2. Ensuring openness and comprehensive stakeholder engagement

The MPS maintains strong, collaborative working relationships with stakeholders and partners across London. These relationships are held at both a local and central level. Locally, MPS officers and staff work closely with local authorities, safeguarding partnership groups, the business community and many others to successfully deliver outcomes. Centrally, and at a strategic level, the MPS works closely with MOPAC and the Home Office to deliver More Trust, Less Crime and High Standards in concert with the Mayor's Police and Crime Plan and The government's own missions.

Examples of good stakeholder engagement and collaboration in 2024/25 are:

- Following the violent disorder across the UK, in connection with the tragic killing of three girls in Southport on 29 July 2024, thousands of MPS officers moved to 12-hour shifts and were mobilised in London to manage mass public order operations. The MPS supported the national policing effort by deploying 200 officers to other forces, and took a leading role in the collective mobilisation of the criminal justice system to accelerate perpetrators to justice.

- The MPS published a Stop and Search Charter, shaping the future of how one of policing's most effective but contentious tactics is used in London. The creation of this charter was a commitment to significant change and was co-produced with communities, following a year and a half of engagement with more than 8,500 Londoners.
- Operation Reckoning, which focused on organised acquisitive crime related to the theft, handling, and onward criminal supply of mobile phones, working in partnership with the National Crime Agency, City of London Police, Europol and British Transport Police.
- The MPS continues to work with international partners and agencies to identify and arrest criminals, ensuring they are brought to justice. In March, Zhenhou Zou – a Chinese PHD student who had been living in London – was convicted of raping 10 women, following an extensive and complex MPS investigation. This required sensitive handling, with MPS officers visiting China to conduct enquiries, and hosting Chinese officials in London to foster an effective working relationship.
- The Israel/Hamas conflict continued throughout 2024 and into early 2025, which impacted upon to levels of public concern, especially within the Jewish and Muslim communities. The MPS continued to ensure that there was an increased level of engagement with those communities.

Among senior leaders, good processes were reported in all business groups, with some suggesting more engagement was required with some sections of communities with low trust and confidence in the MPS. In specialist areas, there is a clear understanding within the MPS of their remit, but this isn't always understood by the wider public.

3. Defining outcomes in terms of sustainable economic, social and environmental benefits

The MPS maintains an Environmental Management System (EMS) aligned to ISO 14001 to provide a systematic and best practice approach to managing environmental and sustainability risks and impacts arising from operations (including all support and enabling services). Key elements of the EMS include the Environment and Sustainability Policy and the Environment and Sustainability Strategy 2023-2025, the latter of which has three aims:

- To reduce the MPS' impact on the environment;
- To become a more resource-efficient and resilient organisation; and
- To embed environmental sustainability considerations in decision-making.

The Sustainability Management Plan (SMP) for 2024/25 was developed based on key environmental and sustainability risks and comprised activities across the MPS aimed at improving environmental and sustainability performance.

Quarterly Environment and Sustainability Boards (ESBs) were held during 2024/25, reporting on progress against SMP activities. At Quarter 4 of 2024/25 (the end of the financial year), 65% of all SMP activities were reported as complete, with 25% slightly off track but rolling over into the next financial year for completion early in 2025/26. The remaining 10% of activities were reported as off-track, and largely due to the decision (in light of operational and budgetary constraints) to reduce activities to prioritise statutory compliance and efficiency measures.

Examples of notable activity during 2024/25 are:

- Development of a pipeline of buildings decarbonisation projects to deliver the MPS Net Zero programme, with total Public Sector Decarbonisation Scheme (PSDS) grant funding secured to date of £19.4m. Ten projects were completed by year end, with a further six projects on-site and approaching completion (now scheduled for completion by end of Q1, 2025/26). In addition, there are a further six projects scheduled for completion by March 2026.
- Development of an EV charging infrastructure project initiation document, and two EV Charger Trials undertaken, with further pilots being progressed.
- In July 2024, DARA rated the assurance in this area as 'Adequate'. The key findings centred on the strategic governance of the Environment and Sustainability function, and alignment of the Environment and Sustainability strategy with wider MOPAC and MPS strategies.

The new SMP for 2025/26 was developed during Quarter 4 of FY 2024/25 and formally launched during Quarter 1 FY 2025/26.

4. Determining the interventions necessary to optimise the achievement of intended outcomes

The 2025/26 MPS Business Plan has been developed in the context of increasing demand on the MPS and significant budget challenges. The plan outlines the steps taken to balance the 2025/26 budget – mainly through efficiencies, service reductions, additional income and borrowing – and the resulting impact on the services provided to Londoners and on the MPS workforce.

To ensure progress against the plan, it will be subject to robust governance and accountability arrangements:

- A quarterly progress report will be taken to Management Board. It will set out overall progress against our strategic, operational and financial commitments, and determine any refinements that need to be made to the plan in-year. This report will be coordinated by Strategy and Transformation, but all business groups will need to report on their own commitments. They will also identify and track emerging pressures and demand in year.
- The Investment and Portfolio Group will oversee transformation portfolio delivery and will report key strategic progress into the Business Plan Progress Report each quarter.
- The Strategic Performance Group will monitor overall organisational performance and will report key strategic progress into the Business Plan Progress Report each quarter.

Each business group will also maintain their own business plan for 2025/26, level, translating organisational strategic priorities into key activity. This Business Plan serves as the guiding framework for all other plans, ensuring consistency and alignment across the organisation. The Business Plan also defines resource allocation and funding priorities.

This year, the MPS has implemented an improved approach to its Force Management Statement (FMS), an annual self-assessment which determines current and future demand and capacity and capability to meet it. The MPS has begun to integrate FMS production and delivery into its annual business planning cycle, helping to develop a more robust understanding of demand and the strategic choices made as a result,.

The workforce design decisions made by the MPS 'Engine Room' have partially informed the workforce assessment presented in the FMS.

5. Developing the entity's capacity, including the capability of its leadership and the individuals within it

In terms of addressing the experience gap through better supervision and continued leadership development, the MPS has delivered:

- Dedicated NMfL training to all non-supervisory ranks and grades
- The Mid-Level Leadership Programme (MLLP) for all Inspectors and Band C managers;
- The Senior Level Leadership Programme (SLLP) for all senior managers;

Both the MLLP and SLLP include physical attendance for three to five days, as well as follow-up online activities and workshops. Attendance and completion of all activities are managed through the LMS.

The MPS has also continued to develop the practical application of leadership and supervision, making progress in key areas. In terms of governance, the Leadership and Learning Transformation Programme Board (chaired by Director L&D) reports into the Investment and Portfolio Group and through to Executive Committee (ExCo) as required. An additional layer of operational oversight is provided by the Leadership Development Oversight Group, chaired at Assistant Commissioner level, with Chief Officer representatives from each business group.

6. Managing risks and performance through robust internal control and strong public financial management

The MPS maintains critical governance for internal control and strong public financial management. Following the introduction of a revised governance structure in 2023/24, a further review of its effectiveness was undertaken during 2024/25, and the structure retained as follows:

- Executive Committee (ExCo) meetings, chaired by the Commissioner, were previously established, and sit every two weeks. Previously, the themes were split into separate meetings concerning Investment, Transformation & Technology, and Performance, People & Culture. The meetings are no longer separate, but will still be occurring on a fortnightly basis. In addition, to promote the management of risk more effectively, risk will be discussed formally on a quarterly basis. ExCo's remit will now be to:

    - Review and agree corporate risks every quarter and assigns risk owners;
    - Ensure corporate risk owners can access support across the organisation;
    - Determine organisational risk appetite and tolerance levels;

- Consider emerging risks and issues;
- Commission the annual refresh of the corporate risk register.

- Audit and Risk Assurance Committee (ARAC) chaired by a Non-Executive Director (NED) ensures the MPS uses risk management to improve corporate decision-making, monitors risks to the delivery of the MPS' strategic priorities and objectives, and ensures those risks are being managed effectively across the organisation. ARAC reports to ExCo on a quarterly basis.

- Joint Audit Committee (previously Joint Audit Panel) continues to provide advice to the MPS and its Commissioner and independent assurance on the adequacy and effectiveness of its internal control environment and risk management framework. It also advises on and assures MPS financial processes.

The MPS provides updates to:

- London Policing Board - the Board provides specialist advice and constructive challenge to effectively support the Mayor in holding the MPS to account for delivering wide-ranging reform, as part of its strategic oversight framework.

- Investment, Advisement and Monitoring (IAM) - the Deputy Mayor for Policing and Crime uses IAM to oversee the MPS' financial investments and management of assets and ensure all MOPAC investment is managed in accordance with the Police and Crime Plan and the aims and ambitions of the Mayor. The meeting provides an opportunity to scrutinise initial investments, monitor their implementation and track benefits.

The MPS now ensures the findings of Grant Thornton's Value for Money audit (and progress against its recommendations) are reviewed by ARAC, as well as Joint Audit Committee.

During 2024/25, the MPS continued to pursue an increase in risk maturity. The MPS has:

- Refreshed its corporate risk register to ensure it is focused on the areas of most concern and brought more rigour to how corporate risk is managed by strengthening the deep-dive process;
- Improved how risk is managed at business group and other levels, through clearer and better processes and documentation, and appointed dedicated resource to each of the business groups to provide support, guidance and advice on risk management; and
- Developed and launched foundation online risk management training for everyone in the MPS. It combines online training together with point of need videos to improve access to training for all staff. The training can be undertaken independently without the need for scheduled courses which can be supplemented with more tailored face to face training post completion.

The MPS has most recently begun to improve assurance activity across the organisation. This has included the initial development of a corporate assurance framework to provide guidance and support to business groups and the establishment of an Assurance Forum to bring together assurance practitioners across the MPS. It meets quarterly and will include DARA in its membership.

In the drive to make the MPS an IT enabled, data driven organisation, achievements in 2024/25 include:

- Digital Enabling Programme is established and reports into Investment Portfolio Group (IPG)
- Digital & Data Strategy has been refreshed and is being overseen through Information Management Group (IMG)
- Refreshed Cyber Strategy was signed off by Management Board in Jan 25. This will be monitored through IMG.

DARA undertook audits concerning financial and commercial controls in:

- Expenses – this was graded Limited, after DARA found that the control framework is not designed adequately and key controls are absent or not operating effectively;
- Strategic Framework for Management of MPS Contracts – this was graded Limited, after DARA found that the approach lacks clarity and needs to be supported by a more effective control framework.

7. Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Audit and inspection processes are now well established in the MPS, having been reviewed in 2022/23. HMICFRS recommendations and Areas for Improvement (AFI) are:

- Collated on a central tracker; and assigned to the most appropriate overall senior MPS lead, with an initial action plan;
- Shared with MOPAC within a set timeframe; and
- Updated quarterly, including through the HMICFRS Monitoring Portal.

Internal audit high-risk actions are tracked by Strategy and Transformation and reported to ARAC and the Joint Audit Committee. Outstanding actions are reviewed by the relevant senior lead on a quarterly basis. Strategy and Transformation has regular meetings with DARA and advise the business on risk interventions to meet their audit action delivery targets. Limited audits are reported individually to ARAC, with a full action plan update provided by the auditee.

External audits are undertaken by Grant Thornton and owned internally by MPS Finance. The MPS intends to bring external audits and DARA audits closer by improving governance and monitoring, specifically through the MPS' ECAP, with oversight through ARAC.

The MPS' organisational learning (OL) environment continues to develop, with activities including:

- The OL function is now present on BCU Blueprint and established in almost all target BCU/OCUs.
- The MPS OL App is in general operation and its final iteration, with focused capture, sharing and management of learning. High Harm/Risk learning is regularly routed through the OL App to end-point users.
- Working to support the Culture Strategy on Culture Organisational Development and Psychological Safety to support a learning environment, including a reframing of Learning Through Reflection out of professional standards to OL team.

Improvement Plan

As reported last year, 2024/25 saw the development of a more strategic approach to the MPS' governance improvement plan. Actions are now fully captured in the MPS' broader ECAP. The ECAP sets out the MPS' progress against the underlying strategic issues identified by DARA. It will outline a path to completion and an anticipated completion date. Its delivery is intended not only to address long-term strategic issues but also improve the MPS' annual audit rating from Limited to Adequate. The ECAP will bring together into a single document DARA, Grant Thornton and relevant HMICFRS recommendations, as well as existing governance improvement activity.

The MPS has worked closely with DARA to clearly articulate tangible actions and controls in the following thematic areas:

- Strategic framework (including business planning);
- Governance, risk and assurance;
- Managing cultural and organisational change;
- Improving demand and resource allocation;
- Managing capacity and capability;
- Improved Supervision;
- Corporate policy and process;
- Organisational learning capability;
- Demonstrating effectiveness (including measurement of outcomes); and
- Information management, data quality, and digital capability.

The ECAP continues to be updated and presented to the ARAC on a quarterly basis

Declaration

In 2025/26, the MPS will take steps to address the matters raised in this document to further enhance its governance arrangements. The MPS is satisfied that these steps will ensure that MPS governance processes are effective in a changing environment. The MPS will continue to monitor their implementation.

Sir Mark Rowley QPM
Commissioner of Police of the Metropolis

Appendix: Background and Governance Framework

Scope of responsibilities

The Commissioner of Police of the Metropolis is responsible for the governance of the MPS, including maintaining appropriate governance and risk management processes, and for ensuring 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 MPS. Under the Police Reform and Social Responsibility Act 2011 the CFO has a personal fiduciary duty for the proper financial administration of the MPS. As an independent legal entity or corporation sole, the Commissioner is required to produce an Annual Governance Statement.

Accountability

The Mayor of London and the Deputy Mayor for Policing and Crime holds the MPS to account against the Mayor's Police and Crime Plan. The Mayor's Office for Policing and Crime (MOPAC) holds the Commissioner to account for efficient and effective policing, management of resources and expenditure.

Governance Framework

The MPS has developed its governance model in accordance with CIPFA/International Federation of Accountants (IFAC) 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 2022/23, 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 MPS accepts that:

- Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.
- 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.

The MPS is statutorily responsible for conducting, at least annually, a review of the effectiveness of its system of internal control. This takes place between January and April.