

Witness Name: **Julie Norgrove**

Statement no: **First**

Exhibit: **JN20**

Date: 29 February 2012

THE LEVESON INQUIRY

Exhibit JN20 to the
Witness Statement of **Julie Norgrove**

Metropolitan Police Authority: Website archive

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Minutes - draft

These minutes are agreed.

Minutes of the meeting of the **Corporate Governance Committee** of the Metropolitan Police Authority held on 14 June 2010 at 10 Dean Farrar Street, Westminster, London SW1H 0NY.

Present

Members

- Toby Harris (Chair)
- John Biggs
- Valerie Brasse
- Joanne McCartney
- Caroline Pidgeon

Co-opted members: Linda Duncan (Head of Governance Services, Hyman Capital Services Limited)

Richard Stephenson (Director, Group Health, Safety and Environment, Transport for London)

MPA officers

- Annabel Adams (Deputy Treasurer)
- Bob Atkins (Treasurer)
- Catherine Crawford (Chief Executive)
- Julie Norgrove (Director, Audit Risk and Assurance)
- John Crompton (Committee officer, Treasury Team)

MPS officers

- Peter Brown (Assistant Director, PSD –Compliance)
- Richard Clarke (Director of Strategy and Improvement)
- Nick Kettle (Head of Safety and Health, Risk Management Team)
- Anne McMeel (Director of Resources)
- Michael Orchard (Directorate of Professional Standards)
- Nick Rogers (Director of Group Finance)
- Ellie Ryan (Strategic Director Employee Relations, Health and Well Being)

Also in attendance: Tom Edgell and Martin Searle (Audit Managers, Audit Commission)

69. Apologies for absence

(Agenda item 1)

An apology for absence was submitted on behalf of Neil Johnson.

The Chair commenced the meeting by relaying the good news that it had been announced in the Queen's Birthday Honours list that Catherine Crawford, the Chief Executive had been made an Officer of the Order of the British Empire. Members congratulated Catherine on receiving this honour. Members asked the Director of Resources to relay to Martin Tiplady, the Director of HR their good wishes on hearing the news that he had also been awarded the OBE.

The Director of Resources reported that Nick Rogers had been appointed as Director of Finance Services. The Chair congratulated him on his appointment.

70. Declarations of interests

(Agenda item 2)

No declarations were received.

71. Minutes of the Corporate Governance Committee (Part 1) – 22 March 2010

(Agenda item 3)

Resolved – That the minutes of the Corporate Governance Committee held on 22 March 2010 (Part 1) be signed and agreed as a correct record.

72. Appointment of co-opted members

(Agenda item 4)

This report proposed the appointment of two co-opted members to the Committee for the committee year 2010/11.

The Chair commented that the present co-optees had been members for a number of years and noted their contribution. The opportunity may be taken next year to review the representation.

Resolved – That

1. **approval be given to the nominations of Richard Stephenson and Linda Duncan as co-opted members of the Committee for the committee year 2010/11; and**
2. **the Authority be asked to ratify these two appointments at its Annual Meeting.**

(Note- the appointments were ratified at the Annual Meeting on 24 June 2010)

73. Corporate Governance Committee work programme

(Agenda item 5)

A report was submitted which outlined the proposed work programme for the Committee for the coming year.

Resolved – That

1. **The work programme be agreed; and**
2. **the equality objective be agreed.**

74. MPA urgency procedure

(Agenda item 6)

An annual report on the use of the urgency procedure was presented to members following a review the MPA urgency procedure carried out in 2009.

A member asked whether it was now the case that the urgency procedure was being used only in cases where the matter could not have been dealt with earlier. The Chief Executive said that there was a robust process in place and there had been a significant reduction in the use of the urgency process. However, she could not offer the absolute guarantee that all matters had been correctly classified as urgent.

Resolved – That the annual report on the use of the urgency procedure be noted.

75. Directorate of Audit, Risk and Assurance 2009/10 annual report

(Agenda item 7)

The 2009/10 annual opinion of the Director of Audit, Risk and Assurance on the effectiveness of internal control within the MPS was submitted. This showed that the control framework had improved and there is a positive direction of travel but overall the control framework is not yet fully effective. The report also summarised the work and performance of the Directorate of Audit, Risk and Assurance (DARA) and members were asked to conclude on the effectiveness of the MPA audit service.

In reply to questions from a member the Director of Audit, Risk and Assurance confirmed that an assurance score of 2 is considered adequate. With regard to the review of security clearance and vetting which had received an assurance score of 4, the Director had written to the two Assistant Commissioners concerned. The Director also reported that there would be a review of the risk assurance criteria and reporting mechanisms. With regard to the high risk recommendation which was shown in Appendix 3 as not having been implemented, an alternative way forward had been agreed.

In reply to a question on the implementation of recommendations the Director of Audit, Risk and Assurance confirmed that the majority of recommendations that remained outstanding had not been implemented within the agreed deadline.

In reply to a question on the assurance scoring process the Director of Audit, Risk and Assurance advised that an exercise was due to be carried out to compare the scoring system with other police authorities but pointed out that in view of the professional judgments which had to be made it could never be an exact science. The Chair felt that any changes to the scoring system should be modest so that comparisons of progress over a period of time could continue to be made.

Resolved That

1. **The Annual Report of the Director of Audit, Risk and Assurance be approved for circulation to all members of the Authority; and**
2. **it be confirmed that the MPA Directorate of Audit, Risk and Assurance provided an effective audit service to the Authority in 2009/10.**

76. Statement of accounts

(Agenda item 8)

This report presented the Authority's draft set of accounts for 2009/10, which is subject to audit. The report identified key features of the accounts and an explanation of the structure of the statements was provided.

In reply to a question from the Chair concerning the fall in the amount spent on dealing with the public shown in the income and expenditure account the Director of Finance Services advised that the costs were affected by the property impairment calculation.

In reply to questions from the Chair the Deputy Treasurer advised that the general reserve remained at £47.483m. The Treasurer would undertake a review of the earmarked reserves during the year. She also advised that the substantial change in actuarial position shown at page 58 of the accounts would not have an impact on the Authority as costs were borne by the Home Office.

Resolved – That the accounts be forwarded to the Authority at its meeting on 24 June 2010.

77. Annual governance statement

(Agenda item 9)

The Authority is required to include an Annual Governance Statement in its financial statements. The Annual Governance Statement includes details of existing governance arrangements, highlighting how effectively they are being deployed and identifying significant governance issues and actions being taken to address them. In producing the Annual Governance Statement reliance is placed on the Annual Assurance Statement produced by the Metropolitan Police Service which is signed by the Commissioner.

Resolved – That

1. **The Authority's Annual Governance Statement be agreed for inclusion in the statement of accounts for 2009/10; and**
2. **the Metropolitan Police Service's Annual Assurance Statement be noted.**

78. Update on MPA/MPS assurance process

(Agenda item 10)

In accordance with the MPA/MPS Corporate Health and Safety Policy Management Board Members are required to provide a letter of assurance to the Commissioner who subsequently provides appropriate assurance to the MPA. During the second phase of the assurance process Central Operations (CO), Directorate of Resources (DoR), Specialist Operations (SO), Serious Crime Directorate (SCD) and Department of Information (DOI) were required to submit letters of assurance for Financial Year relating to the financial year 2009/10. These letters were submitted to the Committee, having been received by the Commissioner in April and May 2010.

In reply to a question from Richard Stephenson the Head of Safety and Health, Risk Management Team advised that the submission of the assurance letters was an annual requirement.

Resolved – That the report be noted.

79. Directorate of Audit, Risk and Assurance progress report

(Agenda item 11)

A report was submitted which summarised the work carried out by the Directorate of Audit, Risk and Assurance in the first quarter of 2010/11 and the key areas of work planned for the second quarter.

In introducing the report the Director of Audit, Risk and Assurance reported that today was the last day of service of Surinder Purewal the Deputy Director after more than 40 years spent working in the public service. The Committee joined with the Director in wishing Surinder best wishes for his retirement. The Director summarised current work under way and undertook to give an update on the corporate charge card review, in particular, at the next meeting.

Resolved – That the report be noted.

80. Outstanding high risk audit recommendations

(Agenda item 12)

This report updated members on the outstanding Directorate of Audit, Risk and Assurance recommendations as at 17 May 2010.

Resolved – That the report be noted.

81. External Audit progress report

(Agenda item 13)

A report was submitted which informed members of progress made by the District Auditor in delivering the audit plan for 2009/10.

Martin Searle advised that a report on value for money in policing was due to be published in July.

Resolved – That the report be noted.

82. External Audit Commission 2010/11 annual plan and fee

(Agenda item 14)

A report was submitted which provided the proposed fee from the Audit Commission for 2010/11 and the audit opinion plan for 2009/10. The Chair noted that proposed changes to the Audit Commission remit around the Police Use of Resources may result in a reduced fee to the Authority going forward.

Resolved – That

1. **The audit fee for 2010/11 be approved; and**
2. **the audit opinion plan be noted.**

83. MPA risk management

(Agenda item 15)

A report was submitted which summarised the development of the MPA risk management process and included the current MPA corporate risk register.

Members noted the information in the first page of Appendix 1 concerning the role of the Authority in relation to public accountability and governance in policing, and referred to anticipated developments in the light of Government announcements that would take place in the coming months concerning the future shape and role of the MPA and other Police Authorities. This would include consideration of how existing governance arrangements would be carried out in the future. The view was expressed that it was important that scrutiny and oversight mechanisms should continue to be in place to ensure transparency and accountability. The Chief Executive confirmed that there were a significant number of aspects to be addressed and in this regard drew attention to a piece of work which had been carried out by the Association of Police Authorities Chief Executives which set out all of the functions of a police authority. This could be made available to members. (Note – this was subsequently circulated) The Chief Executive also undertook to keep members up to date with developments.

Members also sought confirmation on the current risk position for each area identified in the risk register and requested greater clarity on the direction of travel of each risk in future reports.

Resolved – That the MPA risk register and the on-going development of the MPA risk management process be noted.

84. MPS Corporate governance framework update

(Agenda item 16)

This report provided an update on the MPS corporate governance framework.

In response to a question from Caroline Pigeon the Director of Resources undertook to supply the member with the revised procedure concerning the use of business charge cards referred to at the end of Appendix 3.

Resolved – That the report be noted.

85. Raising fraud awareness

(Agenda item 17)

This report advised that the Director of Audit, Risk and Assurance and the MPS Director of Resources jointly sponsored an initial programme to raise the level of fraud awareness within the MPS and MPA. The report from the Audit Commission summarised the outcome of the programme which was conducted in 2008/09 and advised that a further series of workshops are planned for later this year. A fraud prevention strategy is also due to be submitted to the September meeting of the Committee.

Resolved – That

1. **The outcome of the initial programme of activity to raise fraud awareness and accept the Audit Commission report be noted; and.**
2. **the accepted and agreed action plan be endorsed.**

86. Implementing Financial Reporting Standards

(Agenda item 18)

This report updated members on progress made by the MPS since the last quarterly report in March 2010 on the transition to the new International Financial Reporting standards which is being closely monitored by the MPA.

Resolved – That the report be noted.

87. Health and safety performance report

(Agenda item 19)

This report provided an overview of Health and Safety performance.

The Head of Safety and Health, Risk Management advised that a report on the external audit of Health and Safety has been submitted to the MPS Strategic Health and Safety Committee and a Working Group is producing a strategy that will be submitted to the next Committee meeting. In response to a question he agreed to consider how the data in future reports might be presented over a longer time period in order that trends over a period of say five years could be identified.

In reply to a question on police vehicle related accidents to and from work the Head of Safety and Health, Risk Management advised that these were dealt with as police collisions and had been the subject of a report to the Committee in 2006. He could supply a briefing paper if required.

Resolved – That the report be noted.

88. Business charge card update

(Agenda item 20)

This report updated members of progress made in reviewing and investigating the potential misuse of MPS Amex charge cards. It is based on information from the MPA Directorate of Audit, Risk and Assurance, MPS Exchequer Services and MPS Directorate of Professional Standards.

The Committee was advised further with regard to some of the cases highlighted in paragraph 3.

Resolved – That

1. **The progress made by the Directorate of Professional Standards in reviewing and investigating the potential misuse of Amex charge cards within the MPS (including any non-MPS holders of MPS cards) be noted; and**
2. **the estimate of the likely time to complete the reviews and investigations by the Directorate of Professional Standards and resources required be noted.**

89. Any other urgent business

(Agenda item 21)

There was none.

90. Exclusion of press and public

(Agenda item 22)

Resolved – That the press and public be asked to leave the meeting during discussion of the remaining item of business because exempt information as defined in of Part 1, Schedule 12A to the Local Government Act 1972 (as amended) was likely to be made known.

Summary of items considered in part 2

91. MPS Risk Management update

(Agenda item 23)

The Director of Resources presented the report which summarised the MPS current assessment of key corporate risks.

Report noted.

92. Exempt appendix to high-risk audit recommendations

(Agenda item 24)

Members noted the lack of progress in implementing the high risk recommendations around vetting and security and await a further update at the next meeting.

Information noted.

93. Minutes of the Corporate Governance Committee (Part 2) – 22 March 2010

(Agenda item 25)

The minutes of the Corporate Governance Committee held on 22 March 2010 (Part 2) were signed and agreed as a correct record.