

Witness Name: **Kit Malthouse**

Statement no: **First**

Exhibit: **KM25**

Date: 29 February 2012

THE LEVESON INQUIRY

Exhibit KM25 to the
Witness Statement of **Kit Malthouse**



Metropolitan Police Authority

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Rt Hon Theresa May MP
Home Secretary
Home Office
2 Marsham Street
London SW1P 4DF

18 June 2010

Dear Home Secretary

When we met, you asked me to set out our position on the proposed changes to police authorities and the establishment of 'directly elected individuals' with responsibility for policing in local areas and how the current London framework could be strengthened to reflect government policy and deliver a more direct democratic direction for policing. In effect, London is three quarters of the way towards exemplifying the new structures for local and regional governance for policing, with the elected Mayor in practice and in public perception, directing policing budgets and priorities.

Under the current arrangements, the Mayor may chair the Police Authority, or appoint the chair from the membership of the London Assembly. Crime and community safety was a central plank of the manifesto for the mayoral elections, and Boris Johnson chaired the Police Authority for the first year of his mayoralty. In our view, it would not serve London well to separate the leadership of the police service away from the rest of London governance, and with only minor changes to the current arrangements it would be possible for the Mayor or his appointee to fulfil the role of 'directly elected individual', while the London Assembly is well equipped to scrutinize the policing performance and delivery.

The police authority role is wide-ranging, and includes engaging with the community, setting policing priorities and agreeing targets, setting the budget and managing the estate. This is too wide a remit for one person, and it is our view that the Mayor or his appointee should be able to appoint a Policing Board made up of suitably qualified individuals, reflecting the broad range of skills and experience required to ensure effective governance of policing in London. The Transport for London (TfL) model is a possible template, but with some important differences:

- First, it is my view, that in order to ensure the operational independence of the Commissioner and his management board, the Commissioner cannot perform the role of chief executive to the Policing Board and there must therefore be separate secretariat support providing independent advice to the Board (much as there is currently within the Police Authority).
- We need to be clear about what we mean when we talk of operational independence (I favour the Patten definition as opposed to the Denning definition that underpinned the establishment of police authorities in 1996).
- The chair of TfL has a statutory power of direction over the rest of the organisation, whereas the Mayor currently has no power of direction ~~over the Commissioner and the MPS. There needs to be a debate about whether this is tenable in the longer term.~~
- Since becoming Chair of the MPA, I have been convinced that responsibility for the budget and the assets of the MPS must remain with the Chair of whatever body supersedes the police authority. Control of the budget is an essential lever necessary to deliver change and get things done. The understanding of effective budget development and management is weak within the police service (perhaps not unsurprisingly), and it is therefore unlikely that the police service alone will achieve the substantial savings required whilst maintaining the levels of services currently provided. The benefits of external financial and asset management of this can be seen in the financial management of the MPS, following the establishment of the MPA in 2000. In the MPA this included transferring the assurance role provided by the internal audit function to the MPA. I would propose no change here. It also follows that the formal s127 officer function currently fulfilled by the MPA Treasurer should be discharged by the Chief Financial Officer of the Board, separately from the MPS Director of Resources.

Police authorities currently have conflicting executive, statutory and scrutiny responsibilities. In order to remove this conflict, I would propose that the scrutiny responsibilities are transferred to the London Assembly. This would reflect the current scrutiny arrangements for Transport for London and reinforce the democratic legitimacy of open, public, transparent scrutiny of policing.

A further issue that needs resolution in the new governance arrangements for policing is the appointment of the Commissioner. In the Government's proposals, it is clear that the relationship between the 'directly elected individual' and the chief constable (Commissioner in London) will be key to success. It follows that the responsibility for this appointment should rest with the Mayor in London, taking in to account the views of the Home Secretary. Whether this should remain a royal appointment on the advice of the Mayor is open to debate.

Finally, the MPS of course has a significant number of national, capital city and international responsibilities. For the moment, the MPA ensures that there is effective accountability and governance of these areas, but I am not blind to the need for the Home Secretary to continue to be closely involved. We would need to develop some machinery to ensure there is effective joint direction.

I believe the changes that been delivered since Boris Johnson became chair of the MPA are a testament to what can be delivered with strong leadership focussed on the things that matter to local people - knife crime, serious youth violence and dangerous dogs for example. The development of Met Forward, our strategic framework outlining a three year programme of work, is a first for police authorities as is the engagement process we have with local authorities and other strategic partners in London to focus on serious youth violence and other priority crime and community safety issues.

This is a high level summary of the changes I believe are necessary to deliver effective, focused and accountable governance of policing in London, and there are several statutory responsibilities that I have not mentioned here, but should be maintained by the new body, such as community engagement, professional standards for senior police officers and engagement with statutory partnerships. My officers are keen to talk through the detailed implications for the model I have proposed with your officials. Meanwhile, I would welcome an early opportunity for further discussion, not least about the timing of these changes in light of events in 2012, including the Olympics.

Yours sincerely



Kit Malthouse
Chair



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Rt Hon Theresa May MP
Home Secretary
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19 July 2010

Options to Reduce Bureaucracy and Cost

Dear Theresa,

When we met you asked that I consider options for how policing in London could be achieved more efficiently and effectively and help deliver the Government's localism agenda. I have now had the opportunity to give this some thought and identify some potential changes. If taken up these proposals would impact not only within the MPA/MPS and across policing nationally, but also within central government

We support the proposals highlighted within the Home Office Draft Structural Reform Plan July 2010: the options I am proposing would help deliver this agenda for Government. I accept however that they come with some risk, but I believe that in order to police London going forward, with the significant challenges that it faces, boldness of reform is required

The proposals are listed as an annex to this letter. I would be very happy for your officials to discuss these in more detail with officers at the MPA

Yours sincerely

Kit Malthouse
Chair of the MPA and
Deputy Mayor of London for Policing

cc Nick Herbert MP, Minister of State
cc Baroness Neville-Jones, Minister of State

Attachment A: Opportunities to reduce Bureaucracy and cost

Pay and conditions Police officers and staff

- Abolish the Senior Appointments Panel for ACPO officers
- PNB/PAB – abolish centrally negotiated terms and condition or remove HO from Official side and leave to ACPO and APA
- Remove role of Home Secretary to ratify PNB agreements
- Establish a Pay and Conditions Review Body – Home Office not part of this body which leaves Home Secretary free to have the final word
- Amend accrual arrangements for pensions
- Implement Reg A19 for officers with 30 years service
- Scrap Special Priority Payments
- Scrap Competency Related Threshold Payments for those at the top of their pay spine
- Scrap housing and rent allowance
- Scrap Post Related Allowances ('big job payments') for Chief Supts
- Scrap bonuses and Performance Related Pay for Superintending and ACPO ranks
- Amend overtime regulations to provide for a single flat rate regardless of circumstances or notice period
- Scrap regional allowances, i.e. London Weighting, London Allowance, Location Allowance, South East allowance and introduce regional pay; allow local/regional negotiations based on a single national pay spine. Progression should be based solely upon performance and skills acquisition with no more than 5 spine points per rank.
- Introduce a 'Presence Allowance' only available for those who perform operational, 24/7 roles
- Scrap all other discretionary allowances
- Reduce number of ranks (Ch Inspector and Ch Supt ranks were deleted from the structure as a result of the Sheehy review but subsequently re-introduced)
- Reduce number of middle managers by introducing indicative 'spans of control' for Federated ranks
- Introduce an early leavers 'redundancy' package or short service payment for those who no longer wish to be police officers
- Bring most police terms and conditions under normal employee legislation
- Remove right to strike for key workers, e.g. PCSOs, DDOs, custody nurses
- Allow Chief Constables to implement shift patterns to match supply to demand and remove the need to 'agree' shift patterns with staff associations
- Scrap 10 hour and 12 hour shift systems
- Remove the provisions of the Police (Health and Safety) Act 1997, as currently constituted, as they apply to operational policing activities, e.g. Stockwell
- Scrap Hertfordshire Agreement on mutual aid
- Scrap Integrated Competency Framework and replace with 3 policing domains (leadership, business and executive policing skills)

- For all or most of the above use Home Secretary's determinations to introduce 'fast time' changes

Professional Standards

- Police Pension forfeiture – abolish the requirement to apply to the Home Secretary for certificate of forfeiture (Reg K5(4))
- Business interests appeal – abolish the right of appeal to the Home Sec (Reg 7 (5))
- Restrict business interests further to prevent officers having second jobs
- Simplify ACPO complaints and conduct regulations

Home Office

- Re allocate responsibility for data accuracy from HMIC/Audit Commission to Police Authority's
- Abolish league tables/PPAF/ ADR returns and IQUANTA
- Scrap PSA, LAA measures
- Equalities and criminal/statistical information within the Home Office – resolve duplication with EHRC and ONS as both exist as separate organisations
- Amend funding process for CT and revise ACPO TAM
- Review protection arrangements and DSP funding
- Amend funding formula
- Scrap ring fenced funding – just prescribe what has to be delivered
- Revise NCRS
- Abolish NPJA – MPS to undertake major ICT programmes and procurement, Police training delivered regionally through commissioned programmes, HMIC to incorporate improvement interventions, stop other activities such as SCAS, Digest
- Clarify role of SOCA and regional capability (use CT as a model)
- Clarify role of HMIC/Audit Commission/NAO – do you need all three in their current format
- Scrap requirement for Police Authorities to submit policing plans to HO, and to produce an Annual report in a prescribed format
- Review and scrap numerous working groups, meetings, programme boards etc
- Review and scrap guidelines and best practice tool kits
- Stop plethora of publications all purporting to deliver good practice
- Commission others to do the work, not do it itself

Criminal Justice

- Create one overarching body in London
- Avoid perverse incentives re performance measures
- Fund the role out of Virtual Courts
- Amend Guilty plea tariff

- Increased use of joined up IT – link with court closure and video evidence giving

Policing Model

- Construct a National Policing capability model to ensure that a minimum capacity and capability is retained for protective services and key police functions

Other

- Abolish National Fraud Authority
- Review FOI – too many vexatious applications and /or media requests
- Review Health and Safety at work Act 1974
- Simplify and streamline public sector procurement regulations