

ACTION PLAN

	Governance Issue 2006/07	Agreed Action	Progress to date	Deadline
1.	The adequacy and effectiveness of internal control continues to fall below acceptable standards as evidenced by the Director of Internal Audit's opinion of the adequacy and effectiveness of the MPS control environment. The main areas of concern are detailed below.			
1.1	Non compliance with regulations and internal policies for example in relation to American Express and contract regulations and "Post event" and late procurement activities resulting in the need for contract extensions or single tender actions	<p>Work is underway to improve the corporate governance framework and to develop resource management within the MPS through projects such as purchase to pay. Implementation of these will ensure controls are strengthened, compliant contracts are in place and examples of non-compliance reduced to a minimum.</p> <p>Progress in implementation of these will be monitored by the regular corporate framework update reports presented to corporate governance committee A set of 60 corporate health indicators has also been developed to assist the MPS and Authority in measuring compliance.</p>	<p>The Developing Resource Management programme launched in July 2008 intends (amongst other things) to minimise the risk of control failures across the MPS.</p> <p>Progress on the workstreams specifically addressing control issues is as follows:-</p> <ul style="list-style-type: none"> • Development of a consolidated database of all contracts is due to complete in December 2008 • Further developments of the purchase to pay project • The scheme of delegation interim solution went live on 6th October, with the full solution due to go live in the second quarter of 2009 	March 2009

1.2	Continued weaknesses in financial and business controls in local commend units	Finance Services and Territorial Policing are working with Internal Audit to ensure that those business systems that have been identified for improvement are adequately supported in 2008/9. The newly configured Quality Assurance Team in Finance Services will be taking the lead on this piece of work. The protocol being developed covering the work of internal audit and the response of the service to audit and review activity will ensure that audit recommendations are dealt with more promptly.	Internal Audit continues to work with Finance Services and Territorial Policing HQ in ensuring the improvements are implemented. The agreed audit and Inspection protocol between the MPS, Internal Audit, HMIC and Audit Commission was published in November 2008 and supporting guidance has been sent to relevant people within the MPS. The Quality Assurance Team is working closely with Internal Audit to develop a shared database of audit recommendations and progress on implementation.	March 2009
2.	The Authority's Local Code of Corporate Governance recognises the need to have effective MPA HR policies in place to enable staff to be effective in their role. Whilst the improvement programme has recognised this as being a key objective, progress to date has been limited.	A consultant has been appointed to draft a set of HR policies for the Authority. The expectation is that these will be drafted and in place within a tight timescale. Once approved these will allow a consistent approach throughout the Authority to a wide number of HR policies. Drafting and approval of the policies will be monitored by SMT on a regular basis.	A number of revised HR policies have now been approved by the Authority's SMT and most of the remaining policies are in various stages of drafting/consultation. It is now anticipated that the majority of the work will be completed by the end of December and that the formal launch of the new HR policy framework will take place in January	Revised deadline of January 2009
3.	Governance arrangements for	The MPS have recently approved a	Improvements in governance	December

	<p>partnership working need to be reviewed and strengthened to recognise their increasing importance</p>	<p>partnership strategy and implementation plan and are in the process of developing a toolkit for partnerships which will include guidance to members of staff engaged in partnership working.</p> <p>Implementation of these will ensure that best practice is shared across the MPS and partnerships are supported by appropriate governance arrangements and comply with the Authority's and MPS decision making processes.</p>	<p>arrangements for partnership working are being delivered as part of the Delivering Resource Management programme.</p> <p>The partnership workstream has been recently reviewed and a revised statement of work is being delivered in November 2008.</p>	2008
4.	<p>Internal Audit has undertaken a systems review of the corporate risk assessment and management process that has identified a number of areas where the existing arrangements and approach could be improved. The main areas identified are as follows:-</p> <ul style="list-style-type: none"> • Although a framework is in place for the assessment and management of risk, it is not effective in supporting the integration and embedding of risk management across the MPS. 	<p>Review the approach to business risk management to incorporate a process based on integrating all risk activities across the organisation</p>	<p>The MPS approach to risk management has been reviewed and the revised risk management strategy approved within the MPS has been submitted, alongside the proposed new joint MPA / MPS strategic statement on risk, to this Committee as a separate agenda item.</p>	30 Sept 2008
		<p>Clearly define the strategy for implementing risk management based on a framework that is integrated within the planning, performance and day to day management of the MPS</p>	<p>As indicated above the MPS risk management strategy is to be considered by this Committee. In addition the Corporate Risk Manager continues to refine risk management processes and progress their integration within strategic decision making, business planning and performance management processes within the MPS.</p>	30 Sept 2008

<ul style="list-style-type: none"> • An up to date risk management policy is not in place and the current focus on business risk does not encourage a more integrated approach across the organisation. • The structures in place supporting the risk management process in the MPS are not fully effective and need to be reviewed to ensure that risk management is fully understood, valued and supported. • Controls are not in place to ensure that risk assessment is adequately and effectively integrated into the business planning and performance management process. 	Set clear accountabilities across the MPS	The MPS has agreed a risk profile with Management Board and lead accountabilities have been defined.	30 Sept 2008
	Embed risk management into the business planning and performance management framework	As indicated above work continues on integrating risk management processes with strategic decision making, business planning and performance management processes within the MPS	30 Sept 2008
	Apply a generic risk management cycle based around policing plan objectives and targets		
	Design and implement a structure that acknowledges the need to simplify reports and escalate significant risk through the command chain in quick time.	Management Board have approved the governance arrangements for corporate risk and it has been agreed that the MPS Service Improvement Board (SIB) will manage corporate risk.	March 2009