

	<b>Governance Issue 2009/10</b>	<b>Agreed Action</b>	<b>Progress to Date</b>	<b>Deadline</b>
1.	<p>Although the MPS have made improvements in ensuring risks are appropriately analysed and dealt with at command unit level a number of concerns remain as detailed below:-</p> <ul style="list-style-type: none"> <li>• there remains a disconnection between operational level risk management and risk management by the top of the MPS.</li> <li>• Highest-level risks are inadequately identified and not linked to the key strategic drivers.</li> <li>• High-level Risk Register is incomplete and still 'work-in-progress'</li> </ul>	<p>Further develop the Authority's oversight of risk management in the MPS</p> <p>To embed further risk management in OCUs and the MPA</p> <p>To develop further risk registers within the MPS</p> <p>Roll out throughout the MPS the programme of risk management currently being developed</p>	<p>The MPS risk register has been refreshed and includes a 'the need to manage operational risk effectively'. The risk register will be discussed as an exempt item at the quarterly MPA Corporate Governance Committee meeting in December 2009.</p> <p>A risk monitoring process and reporting cycle has been established which allows for the escalation of major risks from business groups, via the Governance Board, which is attended by the MPA CEO.</p> <p>Governance Board has a Risk Sub Group where cross cutting and emerging risks are discussed.</p> <p>Strategy and Improvement Department (S&amp;ID) are working with the Business Group Risk coordinators to continue to develop and adapt the risk management framework. The first initiative is the development of a maturity model for risk management which will be used to assess how well risk management is embedded in each Business Group.</p> <p>The MPA continues to develop its processes for embedding risk management. Key strategic risks have been identified and reported to Corporate Governance Committee. Emerging risks are escalated and discussed through the MPA SMT and Business Management Group where appropriate mitigation is agreed and monitored.</p> <p>The risk maturity assessments will facilitate a consistent approach to recording risk within Business Groups and enable escalation as required to the corporate risk register.</p> <p>A roadmap and action plan for the roll out of the strategy was developed in August 2009 and the maturity model and revamped corporate risk register are key building blocks for that roadmap. S&amp;ID and Finance Services are working jointly on this.</p>	<p>Dec 2009</p> <p>Ongoing</p> <p>Ongoing</p> <p>Pilot Dec 2009 / Jan 2010</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>

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		Development of an effective risk management escalation process	There is now a risk reporting cycle established which allows for the escalation of major risks from business groups, via the MPS Governance Board, which has a Risk Sub Group where cross cutting and emerging risks are assessed.	Ongoing
2.	<p>Whilst there have been improvements in control around procurement, through for example the implementation of a contracts database, and the revised procurement strategy there remains areas of significant concern. Such as:-</p> <ul style="list-style-type: none"> <li>• Use of contracts either not let competitively or extended on a single tender basis</li> <li>• Continued difficulties in recruiting sufficient procurement professionals which has had an adverse impact on the ability of the MPS to keep on top of the tendering and contract management processes.</li> </ul>	<p>Develop a detailed implementation plan to ensure effective delivery of the new procurement strategy</p> <p>Increase member oversight of procurement issues including delivery of the procurement strategy and compliance issues</p>	<ul style="list-style-type: none"> <li>• Implementation plan presented to MPA Resources Sub-Committee Sept 09;</li> <li>• New Single Tender Action procedure in place and the requests for STA, as a percentage of total requests, has reduced.</li> <li>• Single Tender Action &amp; Increased Contract Compliance reports presented to MPA Resources Sub-Committee Nov 09</li> <li>• 26 staff recruited in Procurement Services and current vacancy factor has been reduced to 11%.</li> </ul> <p>The MPA Resource and Productivity Sub Committee plays a proactive role in scrutinising progress against the approved Procurement Strategy. It has approved the implementation plan supporting the strategy and receives quarterly updates on progress against key targets. The Sub Committee also now receives regular reports analysing the level of single tender action and non-compliance with MPA Standing Orders and/or public procurement legislation.</p>	<p>December 2009</p> <p>Implemented</p>
3.	<p>The control environment is not at an acceptable level as highlighted by (a) the Director of Internal Audit's independent opinion on the adequacy and effectiveness of the system of internal control (b) the external audit annual letter that highlighted amongst other things the need to improve the system of internal control and compliance with financial regulations.</p>	<p>Increase oversight on issues raised in audit and inspection reports both at Corporate Governance Committee and the MPS performance board</p>	<p>Directorate of Audit, Risk and Assurance quarterly report on progress to Corporate Governance Committee has been revised to include more detail on control issues arising from audit work. More detailed analysis of all audit recommendations made, accepted and implemented are also included in the report to CGC. The assurance score at this stage of the year is also showing a notable improvement, 2.5 from 2.8 for 2008/9.</p> <p>The MPS Performance Board review reports from External Auditors (e.g. HMIC and Audit Commission) and Internal Audit and agree appropriate MPS action.</p>	Ongoing

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		Continue the roll out of risk control and fraud awareness training	The MPA and MPS are awaiting publication of the Audit Commission Report on the outcome of the fraud awareness and prevention workshops held in 2008/9. A further series of workshops will then be conducted in the new year following an analysis of the report findings.	Feb 2010
4.	A standardised approach to engaging with communities needs to be developed to enhance opportunities for London's communities to express their views and to work in partnership with others to ensure policing is delivered appropriately.	Undertake a review of the MPA/MPS community engagement strategy	The MPA and MPS have established a small cross project team aiming to deliver the new MPA/MPS Community Engagement Strategy by summer 2010. The key issue for the strategy will be how to improve effectiveness of our approach to community engagement at a time when resources are under pressure. The work is being overseen through the Policing Protocol "Integrated Community Engagement" working group.	March 2010