

Summary of DARA Activity 4<sup>th</sup> Quarter 2010/11**Risk Audits**

Audit Title	Report Dates	Overall Opinion	Areas of Effective Control	Controls for Improvement	Recommendations and Progress
<b>Police/Police Staff Support Outside the UK</b>	Draft: Sept 2010  Final: Jan 2011	Control framework is adequate but a number of controls to mitigate key risks are not operating effectively.	<ul style="list-style-type: none"> <li>• Clearly defined policies and procedures covering overseas support.</li> <li>• Definition, authorisation and recording details of support.</li> <li>• Identification, recovery and accounting for costs.</li> <li>• Evaluation of support against agreed objectives.</li> <li>• Provision and review of accurate and timely management information to MPS managers.</li> </ul>	<ul style="list-style-type: none"> <li>• Update of Overseas Travel SOP.</li> <li>• Clarification of overseas visits to be dealt with under Section 26 of the Police Act 1996.</li> <li>• Detail and signing off of terms of reference by all agencies involved.</li> <li>• Reporting of timely and accurate information to the MPA on all Section 26 visits.</li> </ul>	Ten of the 11 medium risk recommendations were accepted and were due for completion by January 2011. All three low risk recommendations were accepted of which one has been implemented.
<b>Covert Airwave</b>	Draft: Sept 2010  Final: Feb 2011	Control framework is adequate but a number of controls are not operating effectively.	Restricted Report	Restricted Report	Fifteen medium risk and three high risk recommendations were made and accepted. Thirteen have been implemented including two in the high risk category.
<b>Systems Supporting Community Engagement Funding</b>	Draft: Feb 2011  Final: Feb 2011	Control framework is adequate but a number of controls in place to manage key risks are not consistently applied.	<ul style="list-style-type: none"> <li>• Clearly defined strategy, comprehensive handbook and guidelines.</li> <li>• Effective planning framework with key stakeholders.</li> <li>• Approval, authorisation and recording of costs.</li> <li>• Regular updates on community and police engagement groups to the MPA Community Engagement and Citizen Focus Committee.</li> </ul>	<ul style="list-style-type: none"> <li>• Consistent application of guidance supporting the strategy.</li> <li>• Monitoring of service level agreements.</li> <li>• Adequacy of documentation to support applications for funding.</li> <li>• Clarity of terms and conditions governing use of funds.</li> <li>• Monitoring of CPEG activity and performance.</li> </ul>	Six medium risk recommendations made and accepted with a target date of May 2011 for implementation.

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<b>Enterprise Content Management</b>	Draft: Dec 2010  Final: Feb 2011	Adequate controls were not in place to meet system objectives and controls were not consistently applied.	<ul style="list-style-type: none"> <li>• Information and access provided in a safe and secure environment.</li> <li>• Intranet web pages are held securely.</li> <li>• Logical access controls in place.</li> <li>• Funding to maintain current intranet system.</li> <li>• Management information reviewed to maintain the system and identify existing performance of the Enterprise Content Management.</li> </ul>	<ul style="list-style-type: none"> <li>• Strategy to ensure the ICMS is continually fit for purpose and to identify and report the key risks, costs and options for replacing system when appropriate.</li> <li>• Developing a process to enforce users to review, refresh web page contents and carry out good housekeeping of sites.</li> <li>• Developing a strategy for delivering ICMS refresher training.</li> <li>• Implementation plan for reducing web pages and streamlining information and content.</li> </ul>	Eleven of the 12 medium risk recommendations made were accepted with six implemented. The remainder are due for completion by the end of February 2011.
<b>Commission and Use of Independent Advisors</b>	Draft: Sept 2010  Final: Feb 2011	Adequate control framework not in place to mitigate key risks.	<ul style="list-style-type: none"> <li>• MPA/MPS Community Engagement Strategy developed.</li> </ul>	<ul style="list-style-type: none"> <li>• Clear definition of strategy and policy for the commission and use of independent advisors.</li> <li>• Update guidance to support a consistent approach to managing IAGs.</li> <li>• Definition and specification of requirements for advice.</li> <li>• Setting qualifications and experience criteria for independent advisors.</li> <li>• Budgetary control framework and independent review of advisor fee and expense claims prior to approval.</li> </ul>	Fourteen of the 15 medium risk recommendations made have been accepted with target dates of June 2011 for implementation.

Summary of DARA Activity 4<sup>th</sup> Quarter 2010/11**Follow up Audits**

<b>Audit Title</b>	<b>Report Dates</b>	<b>Overall Opinion</b>	<b>Areas of Improved Control</b>	<b>Continuing Areas for Improvement</b>	<b>Recommendations and Progress</b>
<b>Environmental Policy, Strategy and Procedures</b>	Draft: Nov 2010  Final: Dec 2010	Control framework adequate and controls generally operating effectively.	<ul style="list-style-type: none"> <li>• Environmental implications are now included and evaluated as part of the MPS and MPA reporting process.</li> <li>• Volunteer Environmental Champions appointed and trained as part of the delivery of the Environmental Communications Strategy 2010-13.</li> <li>• Transitional environmental programme developed and new environmental targets planned from March 2011.</li> <li>• Effective governance arrangements through the Environmental Strategy Steering Group.</li> </ul>	<ul style="list-style-type: none"> <li>• Identification and monitoring the MPA's environmental objectives.</li> </ul>	<p>Of the three medium and low risk accepted recommendations, two have been fully implemented and one partially.</p> <p>An effective environmental system will be developed as part of arrangements to support the MOPC</p>
<b>Management of Outsourced Financial Services</b>	Draft: Jan 2011  Final: Feb 2011	Control framework improved and generally operating effectively.	<ul style="list-style-type: none"> <li>• Post implementation review of the contract.</li> <li>• Risk register introduced.</li> <li>• Independent verification of KPIs.</li> <li>• Payroll reports countersigned.</li> </ul>		Of the 14 agreed recommendations, 13 have been implemented including one in the high risk category.
<b>Messenger and Mail Services</b>	Draft: Jan 2011  Final: Feb 2011	Control framework improved and controls are generally operating effectively.	<ul style="list-style-type: none"> <li>• Issue of bomb threat contingency plan SOP.</li> <li>• Security of valuable items in transit.</li> <li>• Authorised and controlled access to mailroom.</li> <li>• Reporting service failures and performance issues through contract management meetings.</li> </ul>	<ul style="list-style-type: none"> <li>• Recording reconciliation of payments to FMS contractors to the MPS SAP system.</li> <li>• A comprehensive risk assessment on the scanning arrangements for mail items delivered by courier was carried out at ESB. However, a similar exercise has not been carried out for other MPS buildings.</li> </ul>	All of the eleven agreed recommendations made have been fully implemented.
<b>Uniform Services Stores and Stock Control</b>	Draft: Jan 2011  Final: Feb 2011	Control framework has improved and controls are generally	<ul style="list-style-type: none"> <li>• Security arrangements at the Peel Centre warehouse.</li> <li>• Ordering, receipting and issue of stock.</li> <li>• Electronic receipting for goods returns and stock transfers.</li> </ul>	<ul style="list-style-type: none"> <li>• Electronic recording of deliveries.</li> <li>• Handover procedures for all goods returned for recycling.</li> <li>• Year end stock figures to include summary for the year.</li> </ul>	Of the nine agreed recommendations made, six have been fully implemented and three partly.

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		operating effectively.		<ul style="list-style-type: none"> <li>• Year end stock figures not signed or countersigned.</li> <li>• Signing off year-end stock figures.</li> </ul>	
<b>Forensic Medical Examiner Payments</b>	Draft: Jan 2011  Final: Feb 2011	Control framework improved significantly since original review.	<ul style="list-style-type: none"> <li>• Reduced reliance on contracted FMEs.</li> <li>• Budget monitoring arrangements.</li> <li>• Audit trails and management information, leading to greater resilience and efficiency.</li> <li>• Official dispute resolution process created.</li> <li>• Purchase order limits set on the corporate accounting system.</li> </ul>	<ul style="list-style-type: none"> <li>• Coding of FME expenditure.</li> </ul>	Of the 16 accepted recommendations, 11 have been fully implemented, three partially and two are no longer applicable.
<b>Firearms Licensing</b>	Draft: Dec 2010  Final: Feb 2011	Control framework improved but further improvement required to meet all business objectives.	<ul style="list-style-type: none"> <li>• Revised SOP and enhanced intranet information.</li> <li>• Measures taken to increase accuracy of the forecast for budgeted income.</li> <li>• Checklist introduced to record all necessary steps taken before the issue of firearms licenses and permits.</li> </ul>	<ul style="list-style-type: none"> <li>• Digitisation of records.</li> <li>• Business continuity plan and risk register need to be updated and reviewed on a regular basis.</li> </ul>	Of the 23 agreed medium risk recommendations, 10 have been fully implemented, 10 partly and three remain outstanding.

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Counter Fraud Work	DARA Activity
<b>Fraud Prevention</b>	<p>The Anti Fraud Strategy approved by the Committee in December 2010 is due to be launched. The March edition of 'The Job' staff newspaper will contain an article on the Strategy supported by statements by the Chair of the Authority and the MPS Director of Resources.</p> <p>The article in 'The Job' will also coincide with an initiative to re-launch the telephone 'Right Line' and 'Right Line On-line' (e-mail contact).</p> <p>We are supporting the delivery of the programme of ten 'Raising Fraud Awareness' events for 350 MPS staff currently underway that will be completed by the end of March 2011. The outcome of the events will be reported by the Audit Commission and used to support our fraud prevention work.</p> <p>Work is continuing on delivering the implementation plan to support the Anti-Fraud Strategy and an update will be provided to the next meeting of this Committee.</p>
<b>Investigations</b>	<p>We currently have 45 live investigations into potential fraud, abuse and/or non-compliance with regulations/legislation. In particular;</p> <p>We are currently examining three procurements for compliance with MPA procedures and EU/UK public procurement law. We continue to work on areas relating to crime property and we have investigated the misuse of a MPS fuel card and fleet vehicle by a MPS manager.</p> <p>In liaison with lawyers we are working to initiate civil proceedings to recover funds lost to the MPA by over claims of linguistic fees by a MPS interpreter. A claim will be made shortly.</p>
<b>National Fraud Initiative (NFI)</b>	<p>Data matches resulting from the 2010 NFI exercise were returned to the Authority by the Audit Commission in January 2011. The number of matches to be resolved has reduced for this exercise to 11,580, down from 20,398 in the 2008 exercise. This reduction is substantially due to the improved quality of the data supplied by the MPA to the Audit Commission for matching.</p>
<b>Analysis of Key Financial Systems</b>	<p>We continued to develop our analytical analysis of key financial systems. This included proactive research on excess fares allowance, government procurement card, comparison of bank account details between staff and vendors and a specific area of fuel card use. The work is used to inform audits, investigations and provide assurance on transactions.</p>
<b>External Relations</b>	<p>We continue to work with partners in London Boroughs and NHS Trusts as a member of the Steering Group of the London Public Sector Counter Fraud Partnership and chair the Partnership's Fraud Prevention Group. We are networking with other public bodies in London to keep abreast of changes and develop opportunities for sharing good practice and trend intelligence through the London Fraud Forum.</p>