

MPA Annual Governance Statement Action Plan

Governance issue	Action	Action owner	Update
1 Risk Management			
<p>Whilst there continues to be improvements in the effectiveness of the framework for assessing and managing risk within the MPA and MPS with increased oversight within the MPA and MPS, continued development of the MPA and MPS corporate risk registers and the introduction of a risk maturity model in the MPS, further work is needed in embedding risk management across the organisation.</p>	<p>Improve risk maturity within the MPS through building on improvements made and continuing to put in place processes that ensure risk management is embedded throughout the organisation.</p>	<p>Head of Business Risk</p>	<p>Assessments of risk maturity have been carried out against the MPS risk maturity model in SO, CO, HR, and DoI this quarter, in addition to reassessments of DoR and SCD. This ensured that changes to the maturity model following the pilot assessments were accounted for and will enable benchmarking across the MPS. Local risk management implementation plans have been agreed with Business Group Risk Co-ordinators and assessment reports are in the process of being reported to senior management teams.</p> <p>Good progress is being made to ensure that information within the corporate risk register remains fit for purpose and up to date. Each risk area is being reviewed through a series of meetings or workshops to ensure that critical risks are identified, activities inform action planning and any gaps in controls are addressed.</p>

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2 Assurance Framework			
<p>The MPS has a significant number of internal inspection and review functions and although a number of these functions have a clearly defined role and operate to defined standards, there is a need to develop a corporate assurance framework. A review is currently underway led by the MPS which will assist in mapping the assurance functions and increasing their effectiveness</p>	<p>To develop further the assurance framework. Including mapping assurance functions, eliminating duplication, setting standards and ensuring appropriate management action is taken to address issues identified through internal review activity.</p>	<p>Director of Finance</p>	<p>The MPS Assurance Framework review working group has now completed its work. The data gathered will be used to help with determining the next phase of the project.</p>

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3	Control Environment		
<p>Whilst there have been improvements in control with the internal control score increasing from 2.8 to 2.6 the control environment is not yet fully effective, including within boroughs and specialist command units where there remain issues with applying controls consistently at a local level. The local control environment will also be impacted by Finance modernisation and Transforming HR in the coming year</p>	<p>To ensure the improvement continue to be made to the control environment and that the internal control framework within boroughs and specialist command units is strengthened further following centralisation of the finance and HR functions.</p>	<p>Director of Finance</p>	<ul style="list-style-type: none"> • The Finance Services risk register has been reviewed and updated to ensure appropriate controls are in place to maximise compliance and minimise opportunities for fraud • The joint MPA / MPS Anti-Fraud Strategy and accompanying implementation plan was agreed at MPS Governance Board in November and at MPA Corporate Governance Committee in December • The overall control score for a range of follow-up audits covering most Business Groups has improved further to 2.2. • Following the implementation of 'Modernising Finance & Resources', there has been a 37% reduction in the number of outstanding audit recommendations, especially at Borough level.

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4	Procurement & Contract Compliance		
<p>Good progress continues to be made in strengthening the control environment around procurement. However a number of issues around contract management have been identified which impact on our ability to ensure good value for money is being achieved including continued examples of ineffective planning which on occasion has limited the Authority's ability to tender for goods and services competitively.</p>	<p>To continue to put in place processes that strengthen the contract management framework and contract compliance, ensuring these are embedded throughout the organisation, including the development and implementation of a strategic contract re-let strategy.</p>	<p>Director of Procurement</p>	<p>Workstreams under the DRM programme continue to strengthen Procurement processes and controls</p> <ul style="list-style-type: none"> • The implementation plan developed between Procurement, Dol and DRM for the technical / system improvements, recommended in Summer 2010, was agreed by the DRM Steering Group in December 2010 • The rollout of the Contract Management Toolkit and Procurement Awareness Training is ongoing. • A coordinator has been appointed to manage Strategic Procurement Plans, a new approach was agreed with BRG in Jan 2011. Procurement savings will be fed into the MTP in March. • Compliance by volume and value exceeds 90%. • A paper on the mandatory introduction of Competefor on purchases between £5k and 50k will be presented to Mgt. Board in February. <p>Invoice Management (SAP development)</p> <ul style="list-style-type: none"> • Successful go-live of Vendor Invoice Management module and scanning solution, 13 December 2010, following testing and relevant training. This will lead to significant improvements in our invoice handling, enabling cashable savings.