

| | Governance Issue 2010/11 | Agreed Action | Progress to date | Deadline |
|----|---|--|--|------------------------|
| 1. | Under proposals within the Police Reform and Social Responsibility Bill the MPA will be abolished and the Mayor's Office for Policing and Crime established. At this stage the proposed governance arrangements for the locally elected policing body (MOPC) have not been clearly defined and continue to be developed | Put in place robust arrangements in line with the local code of corporate governance to support the MOPC in discharging its statutory duties and obligations under the new model for policing governance and accountability. | <p>The MPA has set up a MOPC Board to monitor implementation of the MOPC. Chaired by the Chief Executive the board meets fortnightly to review progress of the various workstreams and take necessary actions.</p> <p>In addition the MPA Chair is a member of the Home Office Transition Board, along with the MPA Treasurer (reflecting his national role) and the MPA Chief Executive Chairs the group overseeing change in London.</p> <p>We are awaiting ministerial clarification on a number of points in particular around finance to support the drafting of regulations. The Home Office remain confident that this will be forthcoming in time to enable transition to the MOPC in January.</p> | 31 December 2011 |

| | Governance Issue 2010/11 | Agreed Action | Progress to date | Deadline |
|----|---|---|--|-----------------|
| 2. | The MPS has developed an effective risk management framework supported by a plan for improvement but it is not yet embedded and operating consistently across the organisation. | <p>Build on progress made to date and continue to implement the plan for improvement.</p> <p>Increase the level of risk maturity, working towards fully embedding risk management across the MPS.</p> | <p>A corporate risk management implementation plan is in place which is supported by implementation plans in all business groups. Activities against these plans are progressing well.</p> <p>It is proposed to carry out maturity assessments from Jan to Mar 2012 building on the success of the 2010/11 process. These will assess the level of improvement in risk management maturity across the MPS and refresh business level implementation plans to ensure that the MPS continues to embed risk management.</p> | 31 March 2012 |

| | Governance Issue 2010/11 | Agreed Action | Progress to date | Deadline |
|----|---|--|--|--|
| 3. | The internal control environment has continued to improve and this has been achieved during a period of significant change but it is not yet fully effective. | <p>Continue effective Corporate Governance Committee oversight.</p> <p>Increase focus on underlying risk and control issues that lead to control failures.</p> | <p>Monitoring through MPS Performance Board has resulted in a reduction of 74% in outstanding audit recommendations in 12 months with just 7 high risk recommendations outstanding.</p> <p>Greater links have been established between risk management and assurance processes with the categorisation of all audit recommendations/actions into risk themes to inform inspection activity.</p> <p>Good examples of the focus on underlying risk and control issues are</p> <ul style="list-style-type: none"> • The establishment of a joint MPA/MPS Fraud Forum which shares best practice and maximises opportunities to prevent and detect fraud. This is accompanied by regular monitoring and reporting to Corporate Governance Committee of an Anti-Fraud Implementation Plan. A further series of 10 Fraud Awareness Workshops are planned for approx. 350 officers and staff. • Culture of compliant purchasing embedded, with Purchase To Pay (P2P) compliance consistently at >90% for both value and volume. • F&R2 Project will introduce revised and improved ways of working, including a Central Buying Team and Central Expenses Team which will result in consistency and minimise potential for non-compliance. | <p>Ongoing</p> <p>Complete</p> <p>Q4 2011/12</p> <p>Ongoing</p> <p>February 2012</p> |

| | Governance Issue 2010/11 | Agreed Action | Progress to date | Deadline |
|----|--|---|--|-----------------|
| 3. | <p>The internal control environment has continued to improve and this has been achieved during a period of significant change but it is not yet fully effective.</p> <p>(Continued)</p> | <p>Map corporate assurance framework, identifying the key risk areas across the MPS and MPA and the sources of assurance.</p> | <p>Key MPS risk areas are identified through risk management, organisational learning, corporate social responsibility and compliance processes. Work is ongoing to ensure that these processes are appropriately integrated.</p> <p>The Director of Audit, Risk and Assurance recently met with the MPS Head of Organisational Learning to progress discussions and plans to map the MPS corporate assurance framework.</p> | Ongoing |
| 4. | <p>The MPS's change programme and savings framework continues to be developed to deliver the £600m savings required to meet the anticipated impact of the 2010 comprehensive spending review</p> | <p>Effective MPA and MPS oversight of the Change Programme Portfolio.</p> <p>Monitoring the delivery of savings and the realisation of benefits. Ensuring alternative proposals are put in place where necessary to address any potential shortfall identified.</p> | <p>All major change programmes have well represented and effective programme boards which report to MPS corporate boards at regular stages for decision and ratification (e.g. business case approval).</p> <p>Group Finance continues to monitor the delivery of savings and change. The Capital and Revenue Budget Monitoring Report now provides a progress update on the major change programmes and the forecast savings arising from them. This report is provided to MPS Management Board and MPA Finance and resources Committee on a monthly basis.</p> | Ongoing |

| | Governance Issue 2010/11 | Agreed Action | Progress to date | Deadline |
|----|--|--|---|--|
| 5. | The procurement control framework has improved considerably. However, key controls need to be fully embedded and consistently applied before the framework can be assessed as fully effective especially with regard to compliance and contract management.. | <p>MPA/MPS continue to monitor delivery of DRM workstream objectives to ensure key procurement controls are fully embedded throughout the MPS.</p> <p>Increasing compliance and the effective management of contracts to provide greater assurance on value for money.</p> | <p>Introduction of new sourcing system (S2P) will embed procurement SOPs/MPA Regulations & standard templates into a single system. All tendering will be conducted on-system (inc. evaluation) with built in approvals. This will further embed compliance to procurement policy/procedure.</p> <p>New system report developed (September 2011) to actively report spend outside contract as well as identifying spend, which when aggregated, is over devolved procurement levels (£50K). This report will be launched to the business est. Jan 2012 to help proactively monitor contract compliance.</p> <p>Use of CompeteFor mandated from 1 July 2011 for purchases between £500 and £50,000 where there is no corporate contract in place. As at September the MPS is now the largest user of CompeteFor.</p> <p>No Po No Pay launched 3rd October. This will help ensure all expenditure is financially committed on system. All supplier invoices which do not reference a PO will be rejected.</p> | <p>Go-Live January 2012</p> <p>Jan 2012</p> <p>Ongoing</p> <p>Oct 2011</p> |