

APPENDIX 1: MPA Action plan response to the Audit Commission's 2004 Annual Audit Letter

It should be noted individual action plans should have been agreed in respect of most of the pieces of work identified in the annual audit letter. Key role for the MPA will be to ensure sufficient scrutiny to reassure ourselves that appropriate action is being taken.

<i>Recommendations</i>		<i>MPA ACTION</i>	<i>MPS ACTION</i>	<i>Current position</i>
Areas that will require ongoing attention:				
R1	The embedding of the culture change needed to make the C3i command and control system an effective crime management tool (pg 5)	Active governance of the C3i programme is a key priority identified in the MPA corporate strategy. The MPA will through the oversight board, ensure that the MPS is progressing the recommendations outlined in the Audit Commission report.	The MPS has completed an action plan outlining how it will respond to the issues raised in the Audit Commission report. The action plan has been reported to those groups responsible for C3i governance – both MPS and MPA. There are defined processes in place so that when new features are introduced they are supported by business change and implementation staff. There is follow up to ensure compliance and provide both feedback and support as necessary.	The MPS has completed an action plan outlining how it will respond to the issues raised in the Audit Commission report. The action plan has been reported to those groups responsible for C3i governance – both MPS and MPA. There are defined processes in place so that when new features are introduced they are supported by business change and implementation staff. The Business Change activities are managed jointly by C3i Programme and TP. There is follow up to ensure compliance and provide both feedback and support as necessary
R2	Improved and more robust performance information systems (pg 7-8)	PPRC already undertakes regular scrutiny to hold the MPS to account for addressing recommendations made in NCRS report.	Accuracy of crime recording will be reported to PPRC in the new financial year as a result of MPS audit and inspection programme. There is an action plan which has been agreed by PPRC.	'Discussion has taken place with the Home Office and the PSU about the possibility of deferring the audit as part of the year 3 programme. The original NCRS action plan has been revised to, 1)take into account further

			<p>inspectorate work with the Audit Commission about CMU arrangements.</p> <p>2)the proposals under service review to implement central CMU structure.</p> <p>3)the creation of SCD/SO CMU's.</p> <p>The revised action plan will be focussed on putting in place activity to allow the MPS to recieve an amber grade for tests 1 5,6 and 9. Work is ongoing'</p>
<p>R3 Stronger community consultation processes to guide and move forward policing plans (Note: it is not clear in the AAL where this came from, I can only think that it was the statutory audit of the BVPP/Policing Plan. The IPA suggests that we are quite sound in this areas e.g. we ensured that for the first time priorities that came directly from citizens influenced the 2004/05 policing and performance plan.)</p>	<p>We are committed through the corporate strategy to publish and implement and comprehensive community engagement strategy, which will contribute to ensuring better consultation. Other actions include: oversight of the public satisfaction and consultation activity of the MPS that is regularly reported to MPA Committees including PPRC and Community Engagement.</p>	<p>In the absence of the MPA Community Engagement Strategy the MPS Strategic Consultation Unit has produced a draft Consultation Strategy. The unit has been working towards implementing the improved consultation processes outlined in the strategy. As of January 2005 a draft MPA Community Engagement Strategy has been received and the MPS Strategic Consultation unit will be working to integrate the two strategies. Updates on consultation activity are regularly reported to the MPA Community Engagement Committee.</p>	<p>The MPA and MPS are finalising a joint MPA/MPS community engagement strategy. The MPS Strategic Consultation Unit has been realigned under the Citizen Focus Policing Programme and is continuing to work along side the MPA to ensure continuous improvement of consultation and community engagement mechanisms. Citizen Focus is one of the 06-09 MPA/MPS Corporate Strategy strategic priorities and Engaged Communities is a strategic outcome demonstrating the importance this issue has in the MPS.</p>
<p>....performance reviews have identified.....a need to:</p>			

R4	Strengthen performance information systems, etc (pg 7-8)	See R2 above	See R2 above	See R2 above
R5	Improve the progress made in implementing activity based costing arrangements. Further work is necessary to meet National Policing Plan requirements. (pg 5-6)	Action in financial management strategic programme (FMSP): Implement activity based costing and secure optimum utilisation of the resulting financial management information.	"Continue to implement ABC and secure use of the resulting information, as part of the FMSP. On completion of Audit Commission's audit of ABC, agree an action plan to address any issues raised Our 2003/04 financial data has been further reviewed and a revised return submitted to Home Office at end of December 2004. A new member staff (with significant ABC experience) is joining from Kent Police on 1 February 2005 and will lead further development of costing process.	Significant improvements in ABC arrangements made including: -new ABC team in Strategic Finance led by a leading ABC practitioner. -new data warehouse and IT kit/ server installed to better handle size of MPS data -new ABC Project Board set up. -much improved financial data return for 2004/05 returned to Home Office in Sept 2005. -ABC reports to be circulated to OCUs during October 2005.
R6	Improve the consistency with which agreed recommendations arising from the work of external review agencies, including audit and inspections, are implemented. (pg 6-7)	Head of Scrutiny and Review to review accountability mechanisms at MPA level and deliver improved framework as necessary.	DCC9 (Directorate of Organisational Learning) was established to provide effective audit and the means for implementation of the recommendations emanating from the Morris Inquiry and Commission of Racial Equality Investigation. The directorate has since expanded to encompass the Inspection Liaison & Analysis Unit and will:- <ul style="list-style-type: none"> provide a single point of contact for external review agencies; 	The current situation is that DCC 9(is now DCC2(2) and about to be part of the new Citizen Focus & Diversity Directorate (minus ILAU) The governance structure for the MPA reports Morris et al is now in place in the form of the Morris Steering Group. In terms of internal oversight, DCS Allison is in the early stages of setting up a Co-ordination forum to ensure

		<ul style="list-style-type: none"> • establish clear accountability over implementation programmes; • monitor implementation of recommendations from both internal and external review • identify key areas of organisational learning and disseminate this as good practice. 	that the MPS has the internal means of ensuring delivery on these same recommendations
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Members should:			
R7	<p>Develop and implement an improvement plan to address the matters identified in its initial performance assessment (pg 3-4)</p>	<p>Deputy Clerk is establishing small group to draw up key actions required as a result of IPA assessment. Improvement plan once drafted and costed to be signed of by COP/full authority as appropriate and Chair of the Authority. Part of this process is likely to including engaging the IDEA to provide some organisational development support. Monitoring reports will be sent regularly to COP/Full Authority as appropriate.</p>	<p>N/A</p> <p>SMT have engaged the IDEA to work with them to develop an organisation development plan. This work took place over the summer and including extensive work with SMT and interviews with key officers. A draft programme was shared with staff on 10th October and is currently subject to consultation. Those responses will be collated and reviewed by mid November at which point, firmer recommendations for change will be put forward for consultation with staff. Arrangements are being made to establish a small implementation team to carry</p>

			forward the recommendations.	
R8	<p>Continue to take steps to ensure that the forecast budget gap for 2005/06 is bridged and future spending plans matched with available resources (pg 9)</p>	<p>Final 2005/06 budget approved by MPA (16/12/04) as agreed with the Mayor. Action in FMSP: Develop further integration of business and financial planning. Medium term financial forecasts will be reviewed as part of the MPS service review during 2005.</p>	<p>Financial Planning team within Strategic Finance will continue to work closely with MPA Treasurer and internal MPS staff to review both 2005/06 and future years spending plans against available/forecast resources Further work to link corporate/business planning and financial planning is taking place Draft Efficiency plan for next three years will also highlight need for (and quantify) budget savings in 2006/07 and 2007/08.</p>	<p>Efficiency Plan for 2005/06 approved in February 2005 and monitored quarterly by MPA Finance Committee. New MPS Investment Board set up and further integration of business and financial planning has taken place. All medium term financial forecasts reviewed as part of preparation of current Budget Submission to Mayor for 2006/07.</p>
R9	<p>Seek further improvements in budget monitoring and control arrangements in high risk areas (pg 9)</p>	<p>Key objective of FMSP: To support the implementation and maintenance of sound corporate governance arrangements to secure effective business controls and management of risk. Additional actions in FMSP: Develop and implement measures to improve the quality and reliability of expenditure and income forecasting. Support the extension and effective delivery of devolved management.</p>	<p>Management accountant team brought under the line management of the Director of Business Support in order to provide closer links with the Business accountants who quality check forecast received from the business. This move is already improving the flow, understanding and quality of information from local managers. In addition the upgrading of the financial system MetFIN to the latest version of SAP has provided full integration of the financial monitoring systems and given much improved access to management information to central Finance and local managers via business warehouse. This facility is being</p>	<p>Upgraded financial system in place. Roll out of police overtime information on Business Warehouse in March 2005. Response to internal audit recommendations ongoing. Support to devolution project ongoing. Financial system development to be extended to include document management to improve the effectiveness and efficiency of the payment and receipt processes (target date April 2006)</p>

		<p>extended to a range of items such as police overtime to ensure managers have access to accurate and timely financial information for their unit.</p> <p>The Director of Business Development is responsible for the progression of internal audit recommendations and those highlighted as high risk are being progressed on an ongoing basis.</p> <p>The Director of Business Development is responsible for the support to the ongoing project to extend devolved management and this is linked into the day-to-day business of the Business Accountants.</p>	<p>Improvements continue to be made on financial monitoring through the creation of standardised management information reports available to all units via Business Warehouse. Additionally there are continuing developments to the police overtime information available.</p> <p>Increased information detail in the monitoring reports produced by the Management Accounts team (including both internal and public reports)</p> <p>All audit recommendations (internal and external) with a financial interest are logged and monitored via the Finance Services Performance meetings.</p> <p>Business Development in conjunction with Business Support are reviewing the content of Financial Awareness Training courses to ensure they meet the necessary standards as outlined by the Government Accountancy Service</p>
R10	<p>Prioritise action to ensure that timely, accurate and complete information is available to</p> <p>Regular meetings are held between the authority and the MPS staff with</p>	<p>We have reviewed the SPI suite for 2004-5 and expected availability of supporting information. Timeliness</p>	<p>Systems are now in place to collect all SPIs and Home Office deadlines for submission are</p>

<p>support the statutory Best Value Performance Indicators in the BVPP and meet police data quality requirements (pg 7-8)</p>	<p>responsibility in this area to ensure accuracy and timeliness. This has in the last year included agreeing processes/practicalities with the external auditors. With regard to some of the specific issues raised in the report:</p> <p>OBTJ figures are monitored through PPRC at every meeting, and have been for some time.</p> <p>We are aware of action to address DV data collection and are monitoring progress.</p> <p>See also R2 above</p>	<p>and completeness will be improved when these SPIs are audited. There is one remaining SPI (SPI8) where systems need to be amended to enable collection and these amendments are in hand. [also cross refer to NCRS response]</p>	<p>being met. We have worked with the Audit Commission, Home Office and MPA to resolve all issues raised and have made a number of improvements to our processes; the final outcome will be known when the 2004-5 SPI audit is published.</p>
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