

## Appendix 1

## Financial Management Strategic Programme

### Vision

To secure effective well-controlled financial management facilitating and enhancing service delivery in pursuance of the policing priorities of the authority, the Commissioner and the Mayor.

<i>Key objectives</i>	<i>Actions</i>	<i>Deadlines</i>	<i>Accountability</i>	<i>Current actions/action plans</i>
1. Secure an effective internal control framework	a) Approve high level financial regulations	Completed	Treasurer	
	b) Review/update detailed financial instructions	31/03/02	DoR	MPS Finance Dept work programme
	c) Communicate control requirements	2002/03	DoR	
	d) Secure management processes to assure compliance	2002/03	DoR	
	e) Strengthen the finance function	Commenced	DoR	Finance restructuring
	f) Secure independence of internal audit	Completed	Treasurer	
	g) Improve achievement of internal audit programme (90% completion)	2003/04	Treasurer/Director of Internal Audit	
	h) Secure implementation of internal audit recommendations (all high priority within six months)	2002/03	DoR	Audit Panel monitoring process

	i) Provide member focus through the Audit Panel	Completed	Treasurer	
	j) Develop the Authority's anti-fraud and corruption policy	2002/03	Treasurer	
2. Produce soundly based budgets	a) Develop rolling medium term financial forecasts linked to policing priorities	2002/03	Treasurer/ DoR	
	b) Base budgets on detailed review of current provision and future requirements	2002/03	Treasurer/ DoR	
	c) Meet GLA requirements for budget preparation	Ongoing	Treasurer	
	d) Reinforce budget ownership through the budget process	2002/03	DoR	
	e) Constrain budget to available funding	Ongoing	Treasurer/ DoR	
3. Ensure sound management of approved budgets	a) Establish a clear budgetary control framework	2002/03	Treasurer/ DoR	Report to FPBV 21/02/02
	b) Ensure reliable forecasts of outturn (no unpredicted over/underspending)	2002/03	DoR	
	c) Develop devolved budget management	2002/04		See objective 4
	d) Provide training in financial awareness to managers	Commenced Ongoing	DoR	See objective 5
4. Develop and enhance devolved financial management	a) Establish supporting and controlling framework	31/03/02		Devolution project

	b) Implement and learn from pathfinder devolved boroughs	2002/03		Devolution project
	c) Roll out devolved management through the whole service	2003/04		Devolution project
5. Increase the general awareness of the financial dimension of service management	a) Implement activity based costing	Commence by 31/03/02	AC (PRS) (DoR)	
	b) Provide training in financial awareness	Commenced Ongoing	DoR	Programme underway
	c) Ensure financial implications considered in all business decisions		DoR	
	d) Ensure that managers have access to financial advice		DoR	Investment in business support function of MPS Finance Dept.
6. Provide timely, accurate and relevant financial information to all levels of management	a) Adherence to robust monthly reporting timetable.	Ongoing from 2002/03	HoF	MPS Finance Dept business plan
	b) Focus local F&R responsibilities on finance.	Ongoing from 2002/03	HoF	MPS Finance Dept business plan
	c) Focus Business Accountants on management information and analysis.	Ongoing from 2002/03	HoF	MPS Finance Dept business plan
	d) Improve data quality of feeder	Ongoing from	HoF	MPS Finance

	systems.	2002/03		Dept business plan
	e) Develop training for advanced FMI reporting from corporate finance system.	Ongoing from 2002/03	HoF	MPS Finance Dept business plan
7. Secure appropriate funding	a) Develop and present arguments for increased formula funding	Commenced Ongoing	Treasurer	Participation in current HO review
	b) Assess the validity of funding for national/international functions and rationale for the special payment	Commenced	Treasurer/ DoR	
	c) Pursue specific cases for additional government funding	Ongoing	Treasurer/ DoR	
	d) Present effective case to Mayor and/or Assembly for precept funding	Ongoing	Treasurer/ DoR	
	e) Ensure appropriate opportunities for income generation are exploited	2002/03	DoR	E&E review
8. Secure an unqualified opinion on the Authority's accounts	a) Maintain high professional accounting standards	Ongoing	Treasurer/ DoR	
	b) Ensure compliance with accounting policies	Ongoing	Treasurer/ DoR	
	c) Take appropriate steps to address accounts qualifications	Commence by 31/03/02	Treasurer	
	d) Work closely with the external auditor towards adoption of managed audit	Ongoing 2004/05	Treasurer/ DoR	
9. Develop a strong balance sheet for the Authority	a) Create the opening balance sheet	Completed	Treasurer	

	b) Agree policies on reserves and provisions	Commenced	Treasurer	Report to FPBV 21/02/02
	c) Agree and implement a strategy for creation/enhancement of reserves	31/03/02	Treasurer	Report to FPBV 21/02/02
10. Support the maintenance and improvement of the Authority's assets	a) Establish an effective 5 year capital programme	31/03/2	Treasurer/DoR	Report to FPBV 17/01/02
	b) Support effective capital programme and project control	2002/03	DoR	MPS Finance Dept work programme
	c) Maximise capital funding resources	Ongoing	Treasurer/DoR	
	d) Ensure appropriate use of new initiatives for securing the benefits of capital assets	Ongoing	Treasurer/DoR	PFI Review
11. Develop a good quality professional finance function	a) Recruit additional accountants in Finance Department restructuring	31/03/02	HoF	Finance restructuring
	b) Maintain a professional training and development programme	Ongoing	Treasurer/ DoR	
	c) Develop and implement a competency framework for finance and resource managers	2002/03	DoR	
	d) Implement the Finance Department restructuring to balance corporate requirements with business support	31/03/02	HoF	Finance restructuring

	e) Provide effective financial support to a devolved organisation	Ongoing	HoF	Links to objective 4
	f) Take a leading role in national finance issues	Ongoing	Treasurer/ DoR	
12. Maintain efficient core finance processes and procedures	a) Implement robust monthly activity timetable.	Ongoing	HoF	MPS Finance Dept business plan
	b) Produce clear desktop guidance for all processes.	Ongoing from 2002/03	HoF	MPS Finance Dept business plan
	c) Respond positively to audit recommendations.	Ongoing from 2002/03	HoF	MPS Finance Dept business plan
	d) Implement activity management system in Finance function.	Ongoing from 2002/03	HoF	MPS Finance Dept business plan
	e) Benchmark key transaction processes.	Ongoing from 2002/03	HoF	MPS Finance Dept business plan
	f) Maintain effective treasury management complying with standards/regulation	Ongoing	Treasurer	
13. Provide effective advice to the management of MPS business	a) Provide effective financial support to decision making.	Ongoing	DoR	
	b) Develop investment appraisal		HoF	
	c) Ensure access to financial advice at all levels of management		HoF	

14. Support provision of an efficient and effective police service	a) Oversee the completion of, and implementation of the recommendations from, the efficiency and effectiveness review programme	Ongoing to 2003/04	Treasurer	E&E review programme
	b) Support Best Value review programme	Ongoing	Treasurer	Best Value review prog.
15. Secure protection against future risks and costs	a) Implement catastrophe insurance arrangements	Completed	Treasurer	
	b) Support the development of systematic risk management	Commenced	Treasurer	Willis review
	c) Oversee implementation of civil staff pensions transfer	Commenced	Treasurer	MPS implementation plan
	d) Pursue means of limiting/controlling future budget impact of police pensions	Ongoing	Treasurer/ DoR	Treasury/HO review
16. Provide effective support to the MPA and MPA Treasurer	a) Produce good quality financial reports and financial input to reports to the Authority	Ongoing	Treasurer/ DoR	
	b) Support the Treasurer's statutory responsibilities in relation to legality, financial integrity and standards	Ongoing	DoR	