ACTION PLAN

	Governance Issue 2007/08	Agreed Action	Progress to date	Deadline
1.	The adequacy and effectiveness of internal control continues to fall below acceptable standards as evidenced by the Director of Internal Audit's opinion of the adequacy and effectiveness of the MPS control environment. The main areas of concern are detailed below.			
1.1	Non compliance with regulations and internal policies for example in relation to American Express and contract regulations and "Post event" and late procurement activities resulting in the need for contract extensions or single tender actions	Work is underway to improve the corporate governance framework and to develop resource management within the MPS through projects such as purchase to pay. Implementation of these will ensure controls are strengthened; compliant contracts are in place and examples of non-compliance reduced to a minimum. Progress in implementation of these will be monitored by the regular corporate framework update reports presented to corporate governance committee A set of 60 corporate health indictors has also been developed to assist the MPS and Authority in measuring compliance.	The Developing Resource Management programme launched in July 2008 intends (amongst other things) to minimise the risk of control failures across the MPS. Progress on the workstreams specifically addressing control issues is as follows:- • Identified contracts have been loaded onto the contracts database, providing (in value terms) visibility of 97% of contracts. A process has been put in place to make sure the database is properly maintained. Work is continuing to develop the future solution for contract management integration with	March 2009

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			corporate systems. • The Purchase to Pay (P2P) workstream has been developing a corporate compliance process to support compliant routes to purchase. • Work continues to develop a process for maintenance of the scheme of delegation. Workshops have been run with each business group to finalise their requirements. Planning is also underway to develop the technical support to allow the scheme to be built into IT systems following the completion of the SAP upgrade in March 2009. This will inform the go live date for the full solution.	
1.2	Continued weaknesses in financial and business controls in local commend units	Finance Services and Territorial Policing are working with Internal Audit to ensure that those business systems that have been identified for improvement are adequately supported in 2008/9. The newly configured Quality Assurance Team in Finance Services will be taking the lead on this piece of work. The protocol being developed covering the work of Internal Audit and the response of the service to audit and	In support of the Audit and Inspection Protocol, work is continuing to ensure further enhancement of the co-ordination and monitoring of inspection activity across the MPS through the identified synergies in working practices. Part of this work has been to revise the terms of reference of the quarterly meetings with the audit and inspection services with a view to enhancing partnership working.	March 2009

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		review activity will ensure that audit recommendations are dealt with more promptly.	Regular reports are received by the Performance Board on progress against implementing audit recommendations, emerging trends and remedial actions being taken.	
2.	The Authority's Local Code of Corporate Governance recognises the need to have effective MPA HR policies in place to enable staff to be effective in their role. Whilst the improvement programme has recognised this as being a key objective, progress to date has been limited.	A consultant has been appointed to draft a set of HR policies for the Authority. The expectation is that these will be drafted and in place within a tight timescale. Once approved these will allow a consistent approach throughout the Authority to a wide number of HR policies. Drafting and approval of the policies will be monitored by SMT on a regular basis.	HR policies are in the final stages of sign off, with the intention that all policies will have been signed off and equality impact assessed by the end of the month. A series of workshops will then be undertaken to launch the policies.	Original deadline of November 2008 now revised to March 2009
3.	Governance arrangements for partnership working need to be reviewed and strengthened to recognise their increasing importance	The MPS have recently approved a partnership strategy and implementation plan and are in the process of developing a toolkit for partnerships which will include guidance to members of staff engaged in partnership working. Implementation of these will ensure that best practice is shared across the MPS and partnerships are supported by appropriate	Improvements in governance arrangements for partnership working are being delivered as part of the delivering resource management programme. A partnership toolkit for the MPS has been developed and widely consulted on across the organisation. It details the regulations with which partnerships must comply, as well as providing best practice guidance for	Original deadline of December 2008 now revised to March 2009

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			governance arrangements and comply with the Authority's and MPS decision making processes.	partnership working. It is due to be launched in April. The initial mapping of all key partnership activity across the MPS is almost complete. The analysis of this data will help us determine what further tools the organisation requires to lead and support partnership working and provide us with a better understanding of how to improve partnership performance. Partnerships have been integrated into finance and planning and the protocols for partnership working with the MPA and GLA are in development. The requirements on the business for the sustainability of the project after its end in May 2009 are currently being considered by key stakeholders.	
4.		Internal Audit has undertaken a systems review of the corporate risk assessment and management process that has identified a number of areas where the existing arrangements and approach could be improved. The main areas identified are as follows: • Although a framework is in	Review the approach to business risk management to incorporate a process based on integrating all risk activities across the organisation	December's Corporate Governance Committee discussed the MPS Risk Management Strategy alongside the MPA strategy and the joint MPA/MPS risk management strategic statement. As a result of the discussions a revised MPS risk management strategy has been produced. This now explicitly includes the governance arrangements between the MPA and	Sept 2008
			Clearly define the strategy for implementing risk management based on a framework that is integrated within the planning, performance and day to day management of the MPS		Sept 2008

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	place for the assessment and management of risk, it is not effective in supporting the integration and embedding of risk management across the MPS. • An up to date risk management policy is not in place and the current focus on business risk does not encourage a more integrated approach across the organisation. • The structures in place supporting the risk management process in the MPS are not fully effective and need to be reviewed to ensure that risk management is fully understood, valued and supported. • Controls are not in place to ensure that risk assessment is adequately and effectively integrated into the business planning and performance management process.		MPS. The MPS corporate risk register is in place and business group risk registers are currently being reviewed.	
		Set clear accountabilities across the MPS	In accordance with the risk profile and lead accountabilities previously agreed by Management Board, the Service Improvement Board (SIB), which has cross business group representation, has taken over the responsibilities of the Corporate Risk Review Group and is overseeing the development of the corporate and business group risk registers. This continues to be supported by the Business Group Risk Co-ordinators (BGRCs).	Sept 2008
		Embed risk management into the business planning and performance management framework	The BGRCs will help in embedding risk management in their areas. BGRCs meet regularly in a forum chaired by the Corporate Risk Manager from the Strategy and Improvement Department (S&ID) in order to ensure a corporate approach and to exchange good practice. S&ID has developed a MPS Risk Strategy Implementation Plan that has been informed by the action plan	Sept 2008
		Apply a generic risk management cycle based around policing plan objectives and targets		

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			produced in response to Internal Audit's systems review. S&ID and MPA officers have recently held discussions to progress embedding risk management within the MPS and develop an oversight process. Following SIB risk reviews, MPA and MPS officers will meet to discuss corporate and business group risks. The MPS officers will feedback any comments from the meeting to SIB members to review/act-on before any issues are subsequently discussed with MPA members.	
		Design and implement a structure that acknowledges the need to simplify reports and escalate significant risk through the command chain in quick time.	As reported previously, Management Board have approved the governance arrangements for corporate risk, and it has been agreed that SIB will manage corporate risk	March 2009

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