MPA Annual Governance Statement Action Plan 2010/11 – Quarter One   **Appendix 1**

	Governance issue	Action	Action owner	Update
1	Risk management			
	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.	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.	MPS - Head of Business Risk	The quarterly risk management update paper is now discussed at the Business and Resources Group (BRG) before it is presented to Governance Board and later to MPA Corporate Governance Committee. The format of the risk management implementation plan has been amended to align with the risk maturity model. This will allow corporate progress against the maturity model to be more effectively monitored. The MPS Business Group Risk Coordinators' Forum has been re-established with initial discussions taking place on minimum standards for a risk management framework.

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2	Assurance framework			
	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	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.	MPS - Director of Finance	A review of the MPS Assurance Framework commenced in July 2010. The project is initially focusing on identifying what assurance and inspection activity is currently carried out within the Service. It will ultimately consider options for future service delivery to support improved working and efficiencies.

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3	Control environment			
	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	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.	MPS - Lead Accountant MPS – Lead Accountant & MPA – Head of Counter Fraud	**Internal control framework** Quarterly monitoring reports are submitted to MPS Governance Board and MPA Corporate Governance Committee. Individual reports are being developed for each Business Group to more effectively monitor implementation of DARA audit recommendations **Fraud awareness** A joint implementation plan for the MPA/MPS Fraud Prevention Strategy is in development and will be presented at the MPA December Corporate Governance Committee. Further fraud awareness events have been planned for the next quarter as part of the joint MPA/MPS plan to implement recommendations made by the Audit Commission in their report

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			A full progress update against the implementation plan will be presented to the September Corporate Governance Committee.

Compliance framework

The framework will be supported by an internal communications strategy, to include a SOP, the Annual Assurance Statement and Corporate News items on intranet. In addition the framework will be included in the revised Corporate Induction Day and Welcome Pack for all new starters (officers and staff). |

Governance issue	Action	Action owner	Update
4	Procurement and contract compliance		
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.	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.	MPS - A/Director of Procurement	Work through DRM 2 (Procurement Workstream) seeks to improve contract compliance through analysis of expenditure without contract. This analysis will inform plans to improve contract coverage, which are being developed by Procurement in conjunction with the Business Groups. The DRM Procurement workstream also includes the roll out of a "Contract Management Toolkit". Following successful user testing in July the Toolkit is now being refined, with roll out to all business groups planned by the end of September 2010. Contract compliance reporting on contracts in excess of £50k continues on a monthly basis with progress/issues discussed at Business and Resources Group. In addition, the MPA receives quarterly updates on non-compliance. Full compliance is planned by December 2010.