

Summary of DARA Activity 3rd Quarter 2010/11**Risk Audits**

Audit Title	Report Dates	Overall Opinion	Areas of Effective Control	Controls for Improvement	Recommendations and Progress
Witness Protection	Draft: Sept 2010 Final: Nov 2010	Control framework adequate and controls are generally operating effectively.	Restricted Report	Restricted Report	Five medium risk recommendations were made, accepted and have been implemented.
Police Operational Training – Level 3 driver training	Draft: May 2010 Final: Nov 2010	Control framework in place to mitigate key risks needs to be improved to ensure that controls are consistently applied.	<ul style="list-style-type: none"> • Training course material and provision properly approved and delivered to meet ACPO standards. • Driving instructors are properly qualified and trained. 	<ul style="list-style-type: none"> • Definition of criteria for the selection of police officers for training. • Definition of training need and allocation of training resource. • Monitoring of training delivered at satellite sites. • Infrastructure of the Training School e.g. IT resources. • Planning, resourcing and monitoring post course assessments to ensure consistent standards are applied across the MPS. 	<p>Fourteen medium and two low risk recommendations were made and accepted.</p> <p>Five of the medium risk recommendations have been implemented, with those remaining due to be complete by December 2010.</p>
Corporate Charge Card System	Draft: Oct 2010 Final: Nov 2010	Control framework is adequate but controls to mitigate key risks are not operating consistently across business groups.	<ul style="list-style-type: none"> • Comprehensive policy and Standard Operating Procedure in place. • Improved corporate and local monitoring. • Production of management Information and scrutiny by senior management. • Increased scrutiny of outstanding debt. Outstanding debt reduced from £2.9m to approximately £384k in 3 years. • Significant reduction in number of charge cards. 	<ul style="list-style-type: none"> • Policy and procedures require some clarification to better reflect the business environment. • Local systems for authorising and supervising claims require improvement e.g. line management approval of claims. • Escalation and reporting of expenditure non compliant with policy to senior management takes place but could be improved. 	Action has been agreed to mitigate the nine medium risk areas identified.

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			<ul style="list-style-type: none"> • Significant reduction in cash withdrawals. • Credit limits and reducing balances reviewed annually and set according to business need. • Security of charge card details and records. 	<ul style="list-style-type: none"> • Classification of covert expenditure and the required level of supporting documentation. • Tightening application of controls around third party expenditure. • Receipting of expenditure previously incurred under FCO allowance scheme. 	
Technical Covert Equipment	Draft: Oct 2010 Final: Nov 2010	Control framework adequate but a number of controls are not operating effectively.	Restricted Report	Restricted Report	Eighteen medium risk recommendations made and accepted. Twelve have been completed with a target date of December 2010.

Interim Follow Up Audits

Audit Title	Report Dates	Overall Opinion	Areas of Improved Control	Continuing Areas for Improvement	Recommendations and Progress
External Data Communications	Draft: Oct 2010 Final: Nov 2010	There has been considerable improvement in the control framework.	<ul style="list-style-type: none"> • Defined corporate strategy and guidance on security issues. • Clear lines of responsibility for the review and updating of all documentation. • Change requests are reviewed and approved at the appropriate level. • Supervision and review protocol for outsourced work. • Post implementation reviews are now part of the change control procedure. 	<ul style="list-style-type: none"> • Management information system to capture details of all changes with associated costs. 	<p>Management has implemented eighteen of the nineteen agreed medium risk recommendations.</p> <p>The remaining medium risk recommendation has not been implemented due to lack of resources. No target date has been set.</p>

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Royalty, Specialist and Diplomatic Protection – Funding and Control	Draft: Oct 2010 Final: Nov 2010	Control framework has improved since the original review.	<ul style="list-style-type: none"> • Increased management oversight of expenditure, including allowances and expenses, income generation and recovery of costs. • Anomalies in the relevant Police Regulations have been documented and management continue to work in liaison with HR to resolve the issues raised. • Compliance with Police Regulations is monitored on a regular basis. • Cost recovery system in place which includes detailed monthly reports of income and cost recovery. 	<ul style="list-style-type: none"> • MPA remains under funded for protection services with the high risk recommendation for resourcing DSP posts remaining outstanding. 	<p>Twelve medium risk recommendations have been implemented, and two partially implemented.</p> <p>The one high risk recommendation, resting with the MPA, remains outstanding. The MPA are continuing dialogue with the Home Office on the funding issue.</p>
Police Staff Overtime	Draft: Sept 2010 Final: Nov 2010	There has been some improvement in the control framework, but further improvement is needed before all the system objectives can be achieved.	<ul style="list-style-type: none"> • Local senior management overview of the police staff overtime process. • Independent reconciliation between paid overtime and source documentation • Local record keeping. • Appropriate supervisory checks on claim forms. • Business units now allocated separate budgets and have nominated budget managers. • SMT monthly budget reports highlighting any areas of concern are generated and reviewed. 	<ul style="list-style-type: none"> • Increase consistency of the level and quality of supervisory checks carried out. • Guidance on shift working and changes to travel time payments guide. • Claims are not always checked before they are submitted for payment. 	<p>At the time of our review of the 21 agreed medium risk recommendations, nine had been fully implemented, seven partially and five remained outstanding.</p> <p>Management have informed DARA that a further seven recommendations have been implemented since completion of the review.</p>
Preparation, Approval and Monitoring of Capital	Draft: July 2010 Final:	There has been limited improvement in the control	<ul style="list-style-type: none"> • Significant changes through the creation of a Capital Programme Steering Group (CPSG) and the proposed introduction of a SAP 	<ul style="list-style-type: none"> • Procedures to underpin the work of the CPSG. • Capital Strategy issued in July 2007 has not yet been revised. 	Six of the 28 agreed medium risk recommendations had been implemented fully,

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Budgets	Sept 2010	framework.	upgrade. <ul style="list-style-type: none"> Improved governance of the Capital Programme by the CPSG. 	<ul style="list-style-type: none"> Plan and procedures to support implementation and development of the strategy. Timely reporting of slippages and underspends. 	eleven partly, and one is no longer applicable. The 10 outstanding recommendations are to be implemented by March 2011.
Building Security	Draft: Sept 2010 Final: Nov 2010	Control framework has improved but further improvement is required.	Restricted Report	Restricted Report	Five of the eight high risk recommendations have been fully implemented, and one partially. Seven of the medium risk recommendations have been fully implemented, and 11 partially. We have made one further medium risk recommendation. The outstanding recommendations to be completed by February 2011.
Property Leasing, Rent and Rates	Draft: Sept 2010 Final: Nov 2010	Control framework has improved but further improvement is needed.	<ul style="list-style-type: none"> Documentation of the identification of leased properties. Improvements have been made over the payment of rent and rates. 	<ul style="list-style-type: none"> Controls over the payment of service charges. Policy and procedures on the management of the estate need to be strengthened. Policy on acquiring freehold/leasehold properties. 	Of the 19 recommendations made, twelve have been fully implemented and 7 remain outstanding. Management have

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				<ul style="list-style-type: none"> Document and approval of authority to generate income. 	informed us that a further three recommendations have been implemented since the follow up review.
Multi agency Public Protection Arrangements (MAPPA) - Systems supporting Operation Jigsaw	Draft: Aug 2010 Final: Oct 2010	Control framework has improved, but there are areas where improvement is required before all the business objectives can be met.	<ul style="list-style-type: none"> Dip sampling data input by BOCUs on the Violent and Sex Offender Register (ViSOR) system. Reviewing the ratio of the number of Jigsaw related cases to resources deployed at BOCU. Requirements of the MAPPA framework, the National Offender Management Service (NOMS), NPIA/ACPO Public Protection guidance incorporated in MPS policies and procedures. Recording security clearances of all ViSOR operators. File management system introduced and maintained. Training strategy supporting the objectives of Operation Jigsaw and MAPPA developed, approved and implemented. Appropriate data is now published in a Monthly Public Protection report. 	<ul style="list-style-type: none"> Review of accountability and governance arrangements between central Operation Jigsaw and the BOCUs. Clear definition of MPS strategy relating to MAPPA incorporating the objectives of Operation Jigsaw.. Improve arrangements to ensure compliance with ViSOR standards issued by the NPIA. Review and update of user documentation which has not been updated since 2005. 	Of the sixteen accepted recommendations, eight have been fully implemented, three partially, four await implementation and one is no longer applicable.

Summary of DARA Activity 3rd Quarter 2010/11**Counter Fraud Activity**

Counter Fraud Work	DARA Activity
Fraud Prevention	<p>We have produced a joint MPA/MPS anti fraud strategy and implementation plan which is the subject of a separate report to this Committee.</p> <p>We have met with the MPS and the Audit Commission to agree the arrangements for a series of ten Raising Fraud Awareness events. The survey element is currently underway and will be open for participants until the end of December 2010. The workshops will start at the end of January 2011 and run through to March 2011. A report on the outcome of these workshops will subsequently be reported to MPS senior management and the MPA Corporate Governance Committee.</p> <p>In liaison with the MPS we drafted the Standard Operating Procedures (SOP) for the prevention and detection of fraud in the MPA/MPS and this has now been published.</p> <p>We are participating in the CIPFA fraud benchmarking pilot for counter fraud activity, working with partners to identify comparators and performance measures for fraud investigation and prevention. Work is continuing to develop appropriate performance indicators.</p>
Investigations 38 Live investigations.	<p>Key investigations include:</p> <ul style="list-style-type: none"> • We have received two calls on the Right Line this year – one call was relevant to the work of the Branch and is currently under investigation. • The underlying risk and control issues identified as a result of recent investigations at property stores will be progressed with TP senior management and the Director of Resources. • Assisting Legal Services in the recovery of c £80k fraudulent Linguistics claims. • Assisting in the progression of investigations into the use of cloned fuel cards. • We are also examining a number of contracts.
National Fraud Initiative (NFI)	<p>All activity on the NFI 2008 data matches has ended (other than for two cases by local authorities awaiting trial and some late matches received in relation to injury benefit pensions). We have supplied data to the Audit Commission for the 2010 exercise in the required format and to deadline. The data matches resulting from the exercise will be returned to the Authority by the Audit Commission in January 2011. The MPA has a legal obligation to supply the data requested under Schedule 7 of the Serious Crime Act 2007.</p>
Analysis of Key Financial Systems	<p>We continue to develop our analytical analysis of key financial systems. We have completed proactive research on the use of police overtime, Airwave radio, Shift Disturbance Allowance and injury benefit pensions. The work is</p>

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Counter Fraud Work	DARA Activity
	used to inform audits, investigations and provide assurance on the transactions.
External Relations	We continue to work with partners in London Boroughs and NHS Trusts as a member of the Steering Group of the London Public Sector Counter Fraud Partnership and chair the Partnership's Fraud Prevention Group. We are networking with other public bodies in London to keep abreast of changes and develop opportunities for sharing good practice and trend intelligence.