

**Audit Panel**  
**March 2002**

*Metropolitan Police Authority*



**DISTRICT AUDIT**

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delivering public audit  
for the Audit Commission

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**Progress Report**

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*Jon Hayes*

*Audit Manager*

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## Introduction

The purpose of this report is to inform the Audit Panel of progress throughout the year. It covers the work included in the Audit Plan agreed by the Panel for the 2000/2001 audit.

We would welcome any comments on how the presentation of this information could be improved.

Members of the Panel should note that a few pieces of work in the Plan were delayed until the completion of the HMIC review. We are concerned that our reports have not all been delivered and finalised as promptly as we had hoped. We have spent time developing relationships with the MPA/MPS this year which should assist this process at future audits. We will also introduce protocols in 2002 outlining the turnaround times we would hope MPA/MPS staff can achieve in commenting on our reports.

Please see overleaf for the position on the audit.

Area	Audit work	Timing of work	Progress	Output
<b>Planning</b>				
Audit Plan	Prepare and agree an Audit Plan which is risk based, adds value to the Authority and meets the Code of Audit Practice requirements	October to January	Complete	Audit plan
<b>Opinion</b>				
Core Process	Review of <ul style="list-style-type: none"> <li>• Main accounting system</li> <li>• Budgetary control</li> <li>• Closedown procedures</li> </ul>	May to July	Systems report issued. Meetings held to discuss report. Report finalised.	Report
Statutory Accounts	Audit of accounts	September to December	Work completed by the 31/12 deadline Opinion issued although qualified in two respects. Accounts memo also issued.	Audit opinion and Report

Area	Audit work	Timing of work	Progress	Output
<b>Corporate Governance</b>				
Internal Financial Controls	<ul style="list-style-type: none"> <li>Review of Internal Audit</li> </ul>	April to July	Complete.	Report
	<ul style="list-style-type: none"> <li>Overall assessment of IT controls</li> </ul>	March to June	Complete.	Report
	<ul style="list-style-type: none"> <li>Apply Audit Commission's Regular as Clockwork methodology</li> </ul>	May to August	Report issued. Awaiting detailed response from MPA/MPS. Will follow up in 2002.	Report
	<ul style="list-style-type: none"> <li>Estate management</li> </ul>	July to October	Report issued, meetings to discuss have been held. Final report to be issued shortly.	Report
	<ul style="list-style-type: none"> <li>Client-side management issues</li> </ul>	July to October	Work done in parallel with Internal Audit work. Report issued and meetings to discuss are being held.	Report
Arrangements to Prevent and Detect Fraud and Corruption	<ul style="list-style-type: none"> <li>Overall arrangements to prevent and detect fraud and corruption</li> </ul>	March to July	Delays to work on IT security caused by problems at MPS. These have been resolved and survey issued.	Report

Area	Audit work	Timing of work	Progress	Output
			Results to be reported in March 2002.	
Financial Standing	<ul style="list-style-type: none"> <li>Review of arrangements to ensure the financial standing</li> </ul>	June to September	Complete	Included in Annual Audit Letter
Legality	<ul style="list-style-type: none"> <li>Review of arrangements to ensure the legality of transactions</li> </ul>	June to September	Complete	Included in Annual Audit Letter
<b>Use of Resources</b>				
Internal Review Agencies	Review of the effectiveness of internal review.	August to September	Draft report issued, meeting held, awaiting final response from MPS.	Report
Response to past Audit Commission (AC) studies	Stock take of response to AC work.	May to September	Report on police surgeons issued, awaiting response from MPS.	Report
Community Safety	Assessment of response to AC report to the MPS.	September to October	Report issued, meeting held, awaiting final response from MPS.	Report
Best Value Performance Plan and arrangements to deliver Best Value	Review of the Plan and commentary on the arrangements in place.	March to June	Complete.	Report
Service and Financial Planning	Review of the MPA's approach in this area.	August to October	Report issued, awaiting response from MPA/MPS.	Report
Employment Tribunals	Assessment of the arrangements in place for dealing with these and for	May to July	Report issued, awaiting final	Report

Area	Audit work	Timing of work	Progress	Output
	minimising the number faced.		response from MPS.	
Early Retirement on Medical Grounds	Review of the arrangements in place to minimise the financial impact.	May to September	Report issued, meeting held, awaiting final response from MPS.	Report
Overtime	Review of the arrangements in place for allowing overtime	July to October	Report issued, awaiting final response from MPA/MPS.	Report
<b>Performance information</b>				
Performance indicators	Audit opinions on statutory PIs	March to June	Complete.	Report
<b>Reporting</b>				
Annual Audit Letter	Letter to Members summarising work completed in 2000/01	November	Final Letter issued.	Annual Audit Letter