



AUDIT PANEL

Tuesday, 19 December 2017

Met Audit and Inspection Report

Report by: The Director of Strategy & Governance

Report Summary

Overall Summary of the Purpose of the Report

This report provides an update on:

- The exercise to review all open actions from DARA audits since April 2015;
- HMIC inspection activity with a particular focus on PEEL inspections and the national child protection inspection.

Key Considerations for the Panel

The Panel may wish to consider:

- the latest position around our internal audit data and the improving governance of this area;
- the findings of the PEEL efficiency report.

Interdependencies/Cross Cutting Issues

- The work being undertaken to “clean” our internal audit data and improve the governance around this is linked to our governance improvement plans.
- Actions being taken to address the findings of HMIC’s Child Protection report are significant controls for the safeguarding risk reported in the Met’s risk report.

Recommendations

The Audit Panel is recommended to:

- a. Note the continuing progress to “clean” our internal audit data and the improving governance position around this.
- b. Note HMICFRS activity.

1. Supporting Information

1.1. This report provides an update on:

- The exercise to review all open actions from DARA audits since April 2015;
- HMIC inspection activity.

Internal audit update

1.2. Over the last six months, the Met's Insight Team has been actively working with business groups to improve the position around actions relating to internal audits. As a result, we are now in a position where we believe that 186 actions can be closed.

1.3. The first meeting has taken place between the Met's Insight Team and DARA to run through the list of all audits with outstanding actions. DARA have agreed the closure of a significant proportion of actions and a programme of light touch follow-up work in some areas. This will enable DARA to seek assurance that the remaining issues can be closed, are part of business as usual and being actioned through risk management processes or require further activity and should continue to remain open. The next meeting will take place in January.

1.4. The aim of this exercise is to cleanse the data to ensure that actions are relevant to current strategic direction, inform DARA's 2018/19 annual plan and support the enhancement of internal audit processes. It will enable the Met's business groups to focus on activity that remains relevant and track this to revised deadlines.

1.5. **Table 1:** This table provides a breakdown of risks from initial audits in progress by business area, as at the end of November 2017.

	Audits				Comment (where applicable)
	Outstanding up to Nov 17	*Dec 17 onwards	Ongoing	Request closure Q2/Q3	
Commercial & Finance	0	0	0	2	
Digital Policing	2	6	0	13	The request to close actions are in relation to Contract / Client Relationship Management (SIAM) and Cyber Security.
DMC	0	2	0	3	
People	1	21	0	24	Seeking DARA's advice on how to progress the 1 outstanding action.
Professionalism	18	11	0	29	11 of the outstanding and 2 within date are on hold due to a follow-up review taking place on external training.
SC&O	0	3	0	3	
Strategy & Governance	0	0	0	0	
SO	0	0	0	0	
TP	4	13	0	2	Shows that activity is progressing, hence the shift of those with extended deadlines in comparison to the last quarter.
Transformation	0	16	0	14	The majority of those actions requiring closure are associated with Transformation / Change Governance.
*This column includes re-scheduled dates and requires DARA approval of movement					

1.6. **Table 2:** This table provides a breakdown of actions against identified risks from follow up reviews in progress by business area, as at the end of November 2017.

	Follow Ups				Comment (where applicable)
	Outstanding up to Nov 17	*Dec 17 onwards	Ongoing	Request closure Q2/Q3	
Commercial & Finance	2	2	0	21	The actions that request closure are a combination of both Commercial and Finance equally.
Digital Policing	0	0	0	0	
DMC	0	1	0	1	
People	1	1	1	3	
Professionalism	8	6	1	7	Over half of those outstanding relate to a follow up where no update was given and may not reflect the actual position.
SC&O	2	4	0	33	Seeking DARA's advice on the 2 outstanding actions.
Strategy & Governance	2	7	0	3	Over half of the current ones have been self-rescheduled and require DARA's approval for the movement.
SO	0	0	0	2	
TP	10	7	0	26	Seeking DARA's advice on 1 of the outstanding actions and 6 are currently on hold due to a review of these actions by DARA.
Transformation	0	0	0	0	
*This column Includes re-scheduled dates and requires DARA approval of movement					

- 1.7. The picture continues to improve, by March 2018 we hope to be in a position to report in detail on any action that is more than 3 months overdue enabling leads to be held to account for delivery more effectively.

HMICFRS update

- 1.8. In June Audit Panel requested that the outcome of the HMIC PEEL Efficiency and Legitimacy Inspections carried out in May and any actions arising from them; be reported to the meeting.
- 1.9. **PEEL efficiency inspection:** The Efficiency report was published on 09 November 2017; the Met received a “Requires Improvement” grading. Five force wide Areas for Improvement (AFIs) have been identified along with one national AFI. A summary of the key findings and AFIs can be found at appendix 1. Owners for the AFIs have been identified and work will now be progressed to address them. The full report can be found here: www.justiceinspectorates.gov.uk/hmicfrs
- 1.10. **PEEL legitimacy inspection:** The Legitimacy inspection report is scheduled for publication on 12 December 2017. We will receive a “Good” grading, but anticipate a number of AFIs. Owners will be identified to progress activity.
- 1.11. **PEEL effectiveness inspection 2017 (SRO - ACTP):** The inspection concluded on 20 October 2017. The headline early findings highlight inconsistencies of approach and process across a number of different areas; these include criminal investigation, neighbourhood policing problem solving and vulnerability training. HMIC will not give gradings at this stage as they will be subject to a national moderation process however, *anticipated* gradings based on our professional judgement around the feedback are:
- Prevention: Good – as last year
 - Investigation: Requires improvement – as last year
 - Vulnerability: Requires improvement – this area is impacted by NCPI findings and may remain as Inadequate
 - Serious and organised crime: Good improving from Requires Improvement last year

- Specialist capabilities: this question is always ungraded but the narrative suggests Outstanding.

Based on this assessment the overall rating for the report is likely to be Requires Improvement. This report will be published in February 2018.

1.12. **National child protection inspection (NCPI):** The Child Protection Gold Group chaired by DAC McNulty continues to address issues highlighted in the report published on 25 November 2016 through a comprehensive action plan. The draft Quarter 3 report was published on 24 November 2017. It concluded that progress continues to be made in numerous areas regarding child protection but that improvements and consistency in practice that have been articulated clearly in the expectations set by senior officers are not yet being realised. As a result, improved outcomes for children at risk are not consistently being achieved with the weaknesses continuing to reflect those reported in 2016. The full re-inspection report will be published in January 2018. MOPAC continue to oversee the Met's response to this inspection through the Child Safeguarding Oversight Board chaired by DMPC.

1.13. Audit Panel is asked to note HMICFRS activity.

2. **Equality and Diversity Impact**

This paper outlines the findings of audit and inspection activity across the Met. Any significant programmes of work undertaken to implement recommendations will be subject to equality impact assessment.

3. **Financial Implications**

There are no direct financial implications arising from this report. Any additional financial implications from the findings of audits and inspections will be subject to Met investment processes.

4. **Legal Implications**

There are no direct legal implications arising from this report.

5. **Risk Implications**

Audits and inspections can highlight significant corporate risks. These are analysed by the Insight Team and included in the Met's risk management framework where applicable. This paper has no direct health and safety implications.

6. **Contact Details**

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7. **Appendices and Background Papers**

Appendix 1 – PEEL Efficiency Inspection Overview (Restricted)

