

## AUDIT PANEL

### Friday, 31 March 2017

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## Directorate of Audit, Risk and Assurance Quarterly Activity Report

Report by: The Director of Audit, Risk and Assurance

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### 1. Report Summary

This report provides an overview of internal audit work carried out since the Audit Panel last met in September, and progress against the 2016/17 Internal Audit Plan. It details the assurance ratings for those reviews finalised to date and the outcome of key audits completed in the third and fourth quarters of the financial year.

### 2. Recommendations - that the Panel note;

- 1) DARA work undertaken in the third and fourth quarters of the year.
- 2) The adequacy of the control framework for those reviews published to date.

### 3. Supporting Information

#### Third and Fourth Quarter Activity - 2016/17 Internal Audit Plan

- 3.1 DARA finalised 20 reports from the 2016/17 Audit Plan since the last meeting of the Panel, a further 15 reviews are at draft report stage and five in progress. The overall opinion, effective areas of control, risk and control issues identified and progress made in implementing agreed actions are summarised in Appendix 1. Advisory work and counter fraud activity are also highlighted.
- 3.2 Key risk reviews concluded over this period include; MPS Transformation Governance, Body Worn Video, Cyber Security, Data Assurance Framework, Senior Officer Performance Framework and Offender Management. Follow up audits include; Budgetary Control, Working Time Regulations, Workforce Data and Deployment, MOPAC Statutory Framework and Benefits Realisation.
- 3.3 Reviews at draft report stage include; savings plan and delivery framework, Mobility Project governance, financial systems assurance and the development of the Intelligent Client Functions for management of critical contracts - Digital Policing and SSCL. Key follow up reviews include; Facilities Contract

Management and Equalities and Inclusion Strategy and Implementation Framework.

- 3.4 Management requested that, due to resourcing pressures, the Police Officer Promotion Framework follow up review be carried out later in the year and the planned reviews of the MOPAC and MPS Business Planning and Performance Frameworks have been carried forward to next year's work programme, following the publication of the new Police and Crime Plan. An additional review of Working Time Regulations for Police Staff has been carried out.
- 3.5 There has been a significant commitment to advisory work with key contributions and designated pieces of work undertaken in support of a number of MPS Gold Groups and programmes. The Director of Audit, Risk and Assurance attends the BSS Programme Board with auditors inputting to the significant number of workshops supporting the transfer to a single ERP under the SSCL contract. DARA are represented on the Child Protection Gold Group and Delivery Board to advise and support work being undertaken to address the issues identified within the HMIC report and the review of Safeguarding governance arrangements. The Director of Audit Risk and Assurance is also a member of the Child Protection Oversight Group, chaired by the DMPC.
- 3.6 There are currently 28 investigations into potential fraud, waste/abuse and non-compliance with rules/regulations underway, including 13 that have arisen following the National Fraud Initiative exercise conducted this quarter. A mandatory e-learning training package on Anti-Bribery and Fraud Awareness was launched within the MPS in January. All police officers and staff have been notified of the mandatory nature of the training, with personnel in potentially high risk areas directed to complete the course as a priority. The joint MPS/MOPAC Fraud Forum continues to oversee the development of an anti-fraud strategy to implement fraud awareness, prevention and reporting initiatives.
- 3.7 The Director of Audit, Risk and Assurance consulted with members of the MPS Management Board and the DMPC and MOPAC Chief Executive and senior management team, on the DARA Charter, strategic approach and work programme for 2017/18, which has informed the Audit Plan presented to the Panel at this meeting.

#### Internal Control Framework – Assurance Ratings

- 3.8 Currently 64% of risk reviews and 75% of follow ups have been rated adequate or above with 36% and 25% rated limited (this compares to 37% of risk reviews and 31% follow ups rated limited at annual report stage last year). Of the follow up reviews finalised to date 38% are showing an improvement in assurance rating, which include the Budgetary Control Framework, Estates Strategy and Interdependencies with Digital Policing and Criminal Justice Framework.
- 3.9 The following summarises the overall position on assurance ratings for those final reports issued this year to date:

Rating	Risk Based Reviews	Risk Based Reviews %	Follow Up Reviews	Follow Up Reviews %
Substantial	1	7%	2	12%
Adequate	8	57%	10	63%
Limited	5	36%	4	25%
<b>Total</b>	<b>14</b>	<b>100%</b>	<b>16</b>	<b>100%</b>

- 3.10 The respective MOPAC and MPS Governance Improvement Plans, submitted to this Panel, detail the action being taken at a strategic level to address key areas of improvement, informed by DARA review activity. Key areas include the development of the MPS strategic planning framework, performance management, assurance framework, commercial and contract management, improving financial control, change governance, and information management. MOPAC has continued to focus on; drafting and consulting on the recently published Police and Crime Plan, improving key business processes and continuing to develop the framework for oversight of the MPS.
- 3.11 At its meeting in early February, the MPS Risk and Assurance Board considered those audits that continued to be rated 'limited' gaining assurance that appropriate plans are in place and will be implemented to address the issues outstanding. The Audit and Inspection report to the Panel details work underway to address the areas of improvement identified. DARA are working in liaison with the MPS Strategy and Governance Directorate to ensure that actions are progressed and further advice is provided as appropriate.

#### **DARA Performance**

- 3.12 Appendix 2 highlights progress against the 2016/17 Plan. DARA will have completed 90% of the review programme to draft report stage by the end of the year in line with its target.
- 3.13 Audit productivity is at 82% exceeding the target of 80% and audit time has been spent broadly as planned.

#### **4. Equality and Diversity Impact**

The MOPAC and MPS commitments to equality and diversity are considered in all DARA activity. The DARA work plan is designed to provide as wide a range of coverage of MOPAC and the MPS as is possible and practicable.

#### **5. Financial Implications**

There are no direct financial implications arising from this report. There is a risk of loss, fraud, waste and inefficiency if agreed management actions arising as a result of audit activity are not implemented effectively. Savings and recoveries made enable funds to be better directed towards core policing activities.

**6. Legal Implications**

There are no direct legal implications arising from this report.

**7. Risk Implications**

There are no direct risk implications arising from this report. Completion of the DARA work programme enables the Director to conclude on the effectiveness of the MOPAC and MPS risk management frameworks.

**8. Contact Details**

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**9. Appendices and Background Papers**

Appendix 1 – Summary of DARA Activity Quarters 3 and 4  
Appendix 2 – Progress Against the 2016/17 Annual Plan

Summary of DARA Activity 3<sup>rd</sup>/4<sup>th</sup> Quarter 2016/17**Risk Based Reviews**

Audit Title	Areas of Effective Control	Key Controls for Improvement	Agreed Management Action
<b>Assurance Rating = Substantial</b> <b>There is a sound framework of control operating effectively to mitigate key risks, which is contributing to the achievement of business objectives.</b>			
<b>Body Worn Video (BWV) – Use and Control</b>  February 2017	<ul style="list-style-type: none"> <li>• Defined governance, accountabilities, roles and responsibilities.</li> <li>• Clear policy on the use of BWV supported by comprehensive toolkits.</li> <li>• Supported by National Centre for Applied Learning Technologies.</li> <li>• System certification from Surveillance Camera Commissioner.</li> <li>• Effective risk management.</li> <li>• Defined implementation plan, monitored effectively and currently on target.</li> <li>• Key Performance Indicators monitored effectively.</li> <li>• Encryption and secure storage of footage, which is effectively reviewed.</li> <li>• Developing further dashboards and research as more BWV footage and data become available for analysis.</li> </ul>	<ul style="list-style-type: none"> <li>• Continued analysis of cases referred to CPS requiring correction, to identify reasons for any errors made.</li> <li>• Completion of Police Approved Secure Facility accreditation to ensure compliance with the MPS Information Security policies.</li> <li>• Updated Information Sharing Agreement between the MPS and the CPS.</li> </ul>	Four medium priority actions were agreed with a target date for implementation of April 2017.
<b>Assurance Rating = Adequate</b> <b>The control framework is adequate and controls to mitigate key risks are generally operating effectively, although a number of controls need to improve to ensure business objectives are met.</b>			
<b>FALCON - Cyber Crime</b>  November 2016	<ul style="list-style-type: none"> <li>• Governance framework and effective liaison with MOPAC.</li> <li>• Process for identifying, recording and investigating disseminations from Action Fraud and other sources.</li> <li>• Defined remit and criteria for assessing cases referred for investigation.</li> <li>• Supervision of reported crime.</li> <li>• Sufficient and appropriate management information and review by SLT.</li> <li>• IT assets held securely.</li> <li>• Effective data sharing arrangements.</li> </ul>	<ul style="list-style-type: none"> <li>• Refresh existing strategy ensuring objectives clearly defined against current and emerging threats.</li> <li>• Increased detective capability to identify and develop intelligence.</li> <li>• Retention and maintenance of adequate numbers of trained officers.</li> <li>• Maintenance and support contract for the National Fraudulent Identity Document Database.</li> <li>• Improved data quality processes on CRIS.</li> </ul>	One high and five medium priority management actions have been agreed with a target date for completion of February 2017.

Summary of DARA Activity 3<sup>rd</sup>/4<sup>th</sup> Quarter 2016/17

Audit Title	Areas of Effective Control	Key Controls for Improvement	Agreed Management Action
<b>Internal Communications – Workforce Engagement</b>  November 2016	<ul style="list-style-type: none"> <li>• Directorate of Media Communication Strategy in place.</li> <li>• Creation of distinct departments to focus on delivering internal communications.</li> <li>• Senior Business Partners appointed to designated Business Groups and One Met Model 2020 programmes/ projects.</li> <li>• Toolkits for business groups.</li> <li>• Cascade of key messages at Senior Leaders Events.</li> <li>• Regular monitoring of internal communications team's performance.</li> <li>• Monthly employee feedback dashboard reviewed by Management Board.</li> <li>• Review of delivery of ICT Programme.</li> </ul>	<ul style="list-style-type: none"> <li>• Introduction of a Corporate Internal Communications Strategy and plan.</li> <li>• Clearly defined roles and responsibilities and accountabilities, for delivery of internal communications across the organisation.</li> <li>• Effective monitoring and reporting framework.</li> <li>• Evaluation and monitoring of communication plans against delivery of corporate strategic objectives.</li> <li>• Clear policies and procedures to support delivery of effective internal communications.</li> <li>• All areas of spend to be accountable under one Budget Holder.</li> </ul>	Three high and four medium priority management actions have been agreed, with a target date for implementation of June 2017.
<b>Data Security Assurance Framework</b>  March 2017	<ul style="list-style-type: none"> <li>• Information Management roles, responsibilities and accountabilities clearly identified.</li> <li>• Information Management Strategy and Security Code.</li> <li>• Policy, process and code of conduct support national policy under HMG Security Policy Framework.</li> <li>• Third party contracts have data assurance clauses and subject to scrutiny by Information Assurance Unit.</li> <li>• Regular scrutiny of MPS information and data security.</li> <li>• Identification of third party information/data security risks during procurement and programme delivery.</li> <li>• Monitoring of Information Management Strategy implementation by senior management.</li> <li>• Monitoring of contract Key Performance Indicators, including data security.</li> </ul>	<ul style="list-style-type: none"> <li>• Improvements to information assurance monitoring for business as usual activities for Atos and SSCL.</li> <li>• Improvements to monitoring and reporting of information/data security assurance activity outcomes to senior management.</li> <li>• Gap analysis to identify MPS IT systems not covered by Atos, to ensure assurance activity is consistently reported and key risks escalated to senior management.</li> <li>• Comprehensive Information Asset Register identifying all available information assets and ownership.</li> </ul>	Four medium risk management actions have been agreed. The target date for implementation is August 2017.

Summary of DARA Activity 3<sup>rd</sup>/4<sup>th</sup> Quarter 2016/17

Audit Title	Areas of Effective Control	Key Controls for Improvement	Agreed Management Action
<b>MIPS Programme Governance</b>  March 2017	<ul style="list-style-type: none"> <li>• Project leadership and governance established.</li> <li>• Project Board meets regularly to ensure progress against project deliverables.</li> <li>• Regular progress updates are reported to MOPAC, Investment Advisory Board.</li> <li>• A full business case and contract award is expected in September 2017.</li> </ul>	<ul style="list-style-type: none"> <li>• Embedding programme management as the programme progresses.</li> </ul>	Agreed actions included in Transformation review, i.e. embedding programme management.
<b>Transformation/ Change Governance (including risk management)</b>  March 2017	<ul style="list-style-type: none"> <li>• Governance structure integrated into the MPS corporate governance design via governance boards.</li> <li>• Documented responsibilities, remit and authority of each board allowing engagement of senior management for decision making.</li> <li>• Management Board Portfolio Sponsoring Group advise and steer transformation, with authority to approve and recommend business cases delegated to the Portfolio Investment Board (PIB).</li> <li>• Portfolio Management Group covers the governance gap between PIB and Programme Boards.</li> <li>• Continued development of programme management framework.</li> <li>• Strategic level enterprise design, Blueprint and Transformation Roadmap and further integration of Digital Policing change projects into OMM Portfolio.</li> <li>• Project start up/progression governed by MPS Investment Appraisal process.</li> <li>• Programme plans for mobilised Programmes defined and monitored.</li> </ul>	<ul style="list-style-type: none"> <li>• Regular review of design documentation to ensure that transformation initiatives remain aligned to corporate objectives and the Police and Crime Plan.</li> <li>• Fully embedding approved programme management approach for all programmes.</li> <li>• Ensure sufficient level of resources within Portfolio Transformation Office and Digital Policing to manage the current volume of change effectively.</li> <li>• Monitoring of SRO capacity to manage the release of multiple projects across the portfolio.</li> <li>• Review provision of management performance information for full analysis, particularly of financial benefits, on the achievement of the medium term financial plan.</li> <li>• Development of portfolio risk and dependency management, ownership of risks and associated mitigation and clarity on escalation of risks.</li> <li>• Governance of latter stages of projects' lifecycle as they transition into the business.</li> </ul>	One high priority and five medium priority actions have been agreed, with a target date for implementation of December 2017.



Summary of DARA Activity 3<sup>rd</sup>/4<sup>th</sup> Quarter 2016/17

Audit Title	Areas of Effective Control	Key Controls for Improvement	Agreed Management Action
<b>Assurance Rating = Limited</b> <b>The control framework is not operating effectively to mitigate key risks. A number of key controls are absent or are not being applied to meet business objectives.</b>			
<b>Training and Development – Implementation of Framework and VfM</b>  November 2016	<ul style="list-style-type: none"> <li>• Purchasing framework set up under procurement rules on DMPC approval.</li> <li>• Budget guidance provided to SPOCs.</li> <li>• Training Managed Service Model benefits reported to MOPAC Investment Advisory Board.</li> <li>• Annual bids for 2016/17 subject to scrutiny and Chief Officer approval.</li> </ul>	<ul style="list-style-type: none"> <li>• Establish an external training strategy and implementation plan.</li> <li>• Implement central technical oversight and corporate policy across all training purchased.</li> <li>• Consistency of rigor applied to Central Budget bids and review of actual spend.</li> <li>• Fully embed the VfM criteria within the management framework.</li> <li>• Evaluate effectiveness of training provided via the framework.</li> <li>• Develop and install robust contract management arrangements to cover all aspects of managed training services.</li> <li>• Implement and embed the Training Commissioning Model.</li> <li>• Develop effective plan and communication strategy supporting framework implementation.</li> <li>• Robust monitoring arrangements and compliance with the framework.</li> </ul>	Ten high and ten medium priority management actions have been agreed with a target date for implementation of October 2017.
<b>Cyber Security</b>  November 2016	<ul style="list-style-type: none"> <li>• Introduction of the Service Integration and Management (SIAM) tower model as part of the DP Operation Model.</li> <li>• Robust access controls to govern systems access.</li> <li>• Comprehensive security policies and procedures.</li> <li>• Comprehensive and up-to-date IT asset management processes.</li> <li>• Defined and implemented incident response management process.</li> <li>• Security Committee with representation from Atos and DP ensuring the SIAM and DP are aligned enabling oversight of policies and procedures.</li> </ul>	<ul style="list-style-type: none"> <li>• METSEC to contain sufficient guidance covering the ISO27001 domains.</li> <li>• Current SIAM scope to include any non-tower systems as well as coverage over the Secure External Gateway domain.</li> <li>• Document current standard networking needs in relation to network topology.</li> <li>• Conduct annual review of firewall rule.</li> <li>• Penetration test including tests to ensure adequate network segregation.</li> <li>• Obtain assurance on state of security of non-corporate systems in the network.</li> <li>• Develop comprehensive guidance on the patching of systems.</li> </ul>	Five high and four medium priority management actions have been agreed with a target date for implementation of June 2017.



Summary of DARA Activity 3<sup>rd</sup>/4<sup>th</sup> Quarter 2016/17

Audit Title	Areas of Effective Control	Key Controls for Improvement	Agreed Management Action
<b>Offender Management Framework</b>  January 2017	<ul style="list-style-type: none"> <li>• Home Office and MoJ 'Key Principles' available to all personnel.</li> <li>• Quarterly meetings of MOPAC Reducing Reoffending Board - the strategic vehicle to reduce reoffending - attended by all partners.</li> <li>• Youth Offending Teams (YOT) on B/OCUs for offenders under 18, and Integrated Offender Management (IOM) Teams with adult offenders.</li> <li>• Information sharing protocols in place.</li> <li>• Schemes to reduce re-offending e.g. drug testing, facilitated meetings with local agencies, home visits.</li> <li>• IOM formed a key part of the 2013-16 Crime Prevention Strategy.</li> <li>• Action plan with leads, milestones, current position, outcome/benefit, and updates clearly documented.</li> </ul>	<ul style="list-style-type: none"> <li>• Clarify status and ownership of the London-wide Integrated Offender Management (IOM) Strategic Framework.</li> <li>• Clear strategy for management of adult offenders supported by policies/procedures.</li> <li>• Integrated case management system and guidance for recording and sharing information, to inform decision making and/or key interventions.</li> <li>• Appropriate levels of resources available to YOT and IOM teams on B/OCUs.</li> <li>• Review use of historical data for adult reoffending dashboard to improve analysis of emerging trends and themes.</li> <li>• Consolidate action plans following various reviews, to avoid duplication and ensure risks/issues are addressed and escalated.</li> <li>• Performance measures and targets for offender management activity.</li> <li>• Define governance arrangements and assign appropriate resources for oversight and assurance on delivery of objectives.</li> </ul>	<p>Two high and four medium priority management actions have been agreed, with a target date for implementation of June 2017.</p>
<b>Performance Management Framework – Senior Police Officers</b>  March 2017	<ul style="list-style-type: none"> <li>• Clear instructions including a toolkit for talent conversations and guidance on assessing leadership potential.</li> <li>• Documented advice on the expected position of performance levels split across ranks is readily available.</li> <li>• Segregation between first and second line managers during assessment helps to demonstrate transparency and fairness.</li> <li>• Clearly defined role, composition and purpose of Moderation Panels.</li> <li>• Business groups review the distribution of assessments against the desired distribution for the MPS, providing the basis for a consistent approach.</li> </ul>	<ul style="list-style-type: none"> <li>• Defined strategy to support performance management, aligned to People Strategy.</li> <li>• Risk assessed system for consistent, fair and transparent use of performance and potential assessments which meet expected distribution patterns across MPS.</li> <li>• Assessment criteria and evidence of competencies for each rank.</li> <li>• Delivery of appropriate training on the Performance and Potential Matrix (PPM).</li> <li>• Guidance on quality and nature of evidence required to support assessments.</li> <li>• System to ensure assessments are completed.</li> <li>• Development plans to be in place and reviewed by the Moderation Panel.</li> </ul>	<p>Four High risk and nine medium risk management actions were agreed, with a target date for implementation of September 2017.</p>

Summary of DARA Activity 3<sup>rd</sup>/4<sup>th</sup> Quarter 2016/17

Audit Title	Areas of Effective Control	Key Controls for Improvement	Agreed Management Action
	<ul style="list-style-type: none"> <li>Analysis of trends and issues arising reported to Director HR.</li> </ul>	<ul style="list-style-type: none"> <li>Tracking of high performing officers and where performance is below expectations.</li> <li>Effective scrutiny by Moderating Panels.</li> <li>Clearly defined appeal process/guidance.</li> <li>Management information to evaluate the effectiveness of the PPM.</li> </ul>	

Interim Audits – Follow Up Reviews

Audit Title	Areas of Improved Control	Continuing Areas for Improvement	Management Action and Progress
<b>Assurance Rating = Substantial</b> <b>There is a sound framework of control operating effectively to mitigate key risks, which is contributing to the achievement of business objectives.</b>			
<b>MOPAC Statutory Compliance Framework</b>  March 2017	<ul style="list-style-type: none"> <li>MOPAC statutory requirements and responsible officers documented.</li> <li>Statutory requirements monitored by MOPAC senior leadership team as part of governance framework.</li> <li>Disclosure log on MOPAC website.</li> <li>Corporate Development Team provides updates on Parliamentary activity.</li> </ul>	<ul style="list-style-type: none"> <li>One further action agreed to ensure statutory requirements are included in revised business plan and reviewed regularly by senior management.</li> </ul>	All of the one high and four medium priority agreed actions have been implemented. One further action has been agreed for implementation June 2017.
<b>Assurance Rating = Adequate</b> <b>The control framework is adequate and controls to mitigate key risks are generally operating effectively, although a number of controls need to improve to ensure business objectives are met.</b>			
<b>Budgetary Control Framework</b>  February 2017	<ul style="list-style-type: none"> <li>Updated Scheme of Devolved Financial Management (SDFM) available to all.</li> <li>SDFM includes roles and responsibilities, budget process, capital budgets and approved delegations.</li> <li>Comprehensive Financial Instructions readily available to all personnel.</li> <li>Finance Business Partners provide strategic and operational financial management advice/support.</li> <li>Development of improved financial oversight model by MOPAC.</li> </ul>	<ul style="list-style-type: none"> <li>Budget planning process to include matching of budgets to policing priorities and objectives.</li> <li>Fully implemented and embedded budgetary framework across all Business Groups, including effective communication, monitoring and the provision of adequate resources and training</li> <li>Finalise system for production of management information reports.</li> <li>Performance Development Reviews to include objectives for managing budgets.</li> </ul>	Of the three high risk agreed management actions, one has been fully implemented, and two partly. Of the six medium risk actions, two have been fully implemented, two partly and four remain outstanding. The target date for completion is June 2017.

Summary of DARA Activity 3<sup>rd</sup>/4<sup>th</sup> Quarter 2016/17

Audit Title	Areas of Improved Control	Continuing Areas for Improvement	Management Action and Progress
<b>Criminal Justice Framework</b>  February 2017	<ul style="list-style-type: none"> <li>• MPS and MOPAC supporting Home Office initiative to improve CJS processes via technology investment.</li> <li>• Appropriate representation on Board monitoring initiatives to reduce delays.</li> <li>• Improvements in CJS timeliness.</li> <li>• New case management system.</li> <li>• Case file Quality Assurance process.</li> <li>• Case file training programme.</li> <li>• Reduction in number of days taken for summons and requisitions.</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic action plan for CJ objectives and operational level delivery plans.</li> <li>• Review of dashboards to ensure alignment with the new Police and Crime Plan.</li> <li>• Monitoring of progress on CJ objectives.</li> <li>• Evaluate risks to achieving PCP and ensure appropriate actions in place.</li> <li>• Effective coordination of interdependencies with IT systems under the wider MPS change programme.</li> </ul>	<p>The one high risk agreed action has been partly implemented. Of the 18 medium risk agreed actions, 12 have been fully implemented, three partly and three remain outstanding. The target date for completion is August 2017.</p>
<b>Workforce Data and Deployment</b>  February 2017	<ul style="list-style-type: none"> <li>• HR processes mapped and redesigned ready for migration to PSOP.</li> <li>• Clear protocols and guidance issued.</li> <li>• Improved the quality of data on positions/locations of staff and officers.</li> <li>• Improved monthly available to OCUs supplemented by weekly headcount reports.</li> <li>• Redefined roles for retained MPS Workforce Planning and Deployment staff to support corporate and local planning.</li> </ul>	<ul style="list-style-type: none"> <li>• Completion of review of flexible working rosters for underpayment/overpayments and potential integrity cases.</li> <li>• Implementation of Workforce Reporting Strategy and reporting tools.</li> <li>• Resolution of discrepancies in records held by MetHR and Finance.</li> <li>• Realistic and affordable design targets.</li> <li>• Integration of all relevant IT systems.</li> <li>• Completion of corporate data cleansing.</li> </ul>	<p>Of the two high risk agreed actions, one has been fully implemented and one partly. Two of the six medium risk agreed actions have been fully implemented, two partly implemented and two remain outstanding. The target date for completion is September 2017.</p>
<b>Working Time Regulations (Police Officers)</b>  March 2017	<ul style="list-style-type: none"> <li>• Effective oversight and review by MPS Health and Safety Board and local business units.</li> <li>• Monthly management information analysed and escalated appropriately where necessary.</li> <li>• Continued increased compliance with Working Time Regulations (WTR).</li> </ul>	<ul style="list-style-type: none"> <li>• Further improvement in compliance levels for booking on and off duty.</li> <li>• Continued review to ensure all police rosters are compliant with WTR.</li> <li>• ICT solution to enable recording of working time for Royalty and Specialist Protection.</li> <li>• Tableau data to assist cancelled rest days monitoring and decisions.</li> </ul>	<p>Of the six agreed management actions, two high risk actions have been fully implemented and one partly, two medium risk actions partly implemented, and one remains outstanding. The target date for completion is August 2017.</p>

Summary of DARA Activity 3<sup>rd</sup>/4<sup>th</sup> Quarter 2016/17

Audit Title	Areas of Improved Control	Continuing Areas for Improvement	Management Action and Progress
<b>Estate Strategy – Management of Digital Policing Interdependencies</b>  March 2017	<ul style="list-style-type: none"> <li>Revised 'Estate Transformation Strategy: Implementation Plan' aligned to the OMM2020 vision and the Digital Policing Strategy.</li> <li>Publication of Digital Policing Strategy and implementation plan, aligned with the Estates Strategy and OMM2020.</li> <li>Greater cross working between the Property Services Department (PSD) and Digital Policing (DP).</li> <li>Improvements to local management of interdependencies with Digital Policing.</li> <li>Monthly joint project review supporting interdependences between the Estate and DP Strategies.</li> </ul>	<ul style="list-style-type: none"> <li>DMPC approval of Estates Strategy and Development of communication strategy.</li> <li>Update governance improvement plan with regular progress reports to identify any potential issues and inform key decisions.</li> <li>Further development of a fully integrated implementation plan for Estates and DP projects.</li> <li>Review of Estate Transformation programme information management reporting.</li> </ul>	The two high risk agreed actions have been fully implemented. Five of the medium risk agreed actions have been partly implemented and one remains outstanding. The target date for completion is June 2017.
<b>MOPAC Business Crime Strategy and Implementation Framework</b>  March 2017	<ul style="list-style-type: none"> <li>Improved oversight of the Business Crime Strategy by Business Crime Change Board (BCCB).</li> <li>Risk to delivery identified and reviewed by BCCB.</li> <li>Achievement of previous business crime strategy objectives reviewed by BCCB.</li> <li>Sub-group structure reviewed.</li> </ul>	<ul style="list-style-type: none"> <li>Development of the framework to support the delivery of the revised objectives for Business Crime included in the Police and Crime Plan published in March 2017.</li> </ul>	5 of the agreed had been implemented, 2 are no longer applicable.  One key action has been agreed for implementation by July 2017.
<b>Assurance Rating = Limited</b> <b>The control framework is not operating effectively to mitigate key risks. A number of key controls are absent or are not being applied to meet business objectives.</b>			
<b>Benefits Realisation Framework</b>  December 2016	<ul style="list-style-type: none"> <li>Refreshed framework of business case appraisal requiring explicit information on anticipated project benefits. Benefits now more prominent within the appraisal documentation.</li> <li>Consistent monitoring of business cases, including the clarity of benefits information.</li> <li>Defined role specifications for Senior Responsible Owner accountabilities.</li> <li>Improved arrangements for planning and</li> </ul>	<ul style="list-style-type: none"> <li>Use of benefits tracking tool across all change projects and programmes. Further rollout of tracking process with defined roles and responsibilities.</li> <li>Identification of sustainable savings solutions for 2016-20 financial strategy.</li> <li>Mitigating action to manage savings gap and review impact of current financial pressures on the deliverability of future years' savings target.</li> <li>Measures and reporting of change programme</li> </ul>	Two of the seven high risk agreed actions have been fully implemented, four partly implemented and one remains outstanding. Four of the seven medium risk actions have been fully implemented and three partly implemented. The target date for completion is April 2017.

Summary of DARA Activity 3<sup>rd</sup>/4<sup>th</sup> Quarter 2016/17

Audit Title	Areas of Improved Control	Continuing Areas for Improvement	Management Action and Progress
	management of benefits during the project and post completion. • Budget scrutiny process informed by a revised portfolio level benefits profile.	effectiveness against strategic objectives and investment criteria. • Responsibility for oversight of programme progress and cashable benefits.	
<b>Custody Management and Provision – Met Detention</b>  February 2017	• Training records and updates of Police Officers are maintained. • Revised Custody Suite checklists have been approved and distributed. • Regular risk assurance process includes dip sampling. • Monthly Performance data produced and distributed. • Quarterly custody user group meetings take place.	• Continued action to address lack of resources. • Delivery of Emergency Life Support and Officer Safety Training courses. • Co-ordination of activity to address HMIC recommendations on vulnerable persons within custody suites. • Action to address risks related to the lack of thorough searches by arresting officers. • Completion of review of the SLA for the performance of Met Detention. • Integration of custody related IT systems. • Update policy/process for access to Estate.	The one high risk agreed action has been partly implemented. Of the four medium risk agreed actions, one has been fully implemented, two partly and one remains outstanding. The target date for completion is August 2017.

## Summary of DARA Activity 3<sup>rd</sup>/4<sup>th</sup> Quarter 2016/17

### Systems Development and Change Management – Advisory Work - Quarter 4

#### **BSS Programme Board and Delivery Board**

Attended the BSS Programme Board meetings advising on the governance arrangements supporting delivery of business support service objectives and on risk and control issues associated with the transition to a single ERP.

#### **Child Protection Gold Group/Delivery Board/MOPAC Oversight Board**

Attended the Child Protection Gold Group and the Delivery Board advising on planned actions to address the issues reported by the HMIC. In particular, advising on the governance arrangements supporting the implementation of agreed actions and the wider governance issues relating to Child Safeguarding.

#### **Transition to Single ERP SSCL Contract**

Key advice provided this quarter included; review of test plan and programme risk register and proposals for self-approval processes. Attended fortnightly BSS Programme Joint Delivery Board Meeting and Portal Working Group meetings. DARA will continue to provide control advice as requested during the testing and training phase prior to go-live planned for June 2017. DARA met with SCCL, Finance colleagues and external audit to discuss development of an integrated assurance framework post go-live.

#### **Management Board - Risk and Assurance Board**

Reporting progress on internal audit plan for 2016/17 and advising the Management Board on the effectiveness of governance, risk management and assurance arrangements and on key risks/issues emerging from internal audit review activity undertaken.

#### **Risk and Organisational Learning Group**

Advising on key emerging risks and underlying control issues and themes arising from audit review activity to inform and embed organisational learning and review of operational risks.

#### **MOPAC Organisational Capacity and Capability**

Director led review of MOPAC capacity a senior level in liaison with MOAPC HR. Management structure revised in key areas and senior management capacity improved.

#### **Strategic Crime Incident Recording Group (SCIRGE)**

Attend the monthly meetings advising on improvements to the governance framework. A DARA audit of Fraud and Linked Online Crime (FALCON) raised data quality issues and officers from FALCON will discuss issues at the March 2017 meeting. HMI to undertake a Crime Data Integrity Inspection later this year.

#### **MOPAC Governance and Risk Management Framework**

Advised on the development of the risk management framework supporting the new Police and Crime Plan and the alignment of risks with MPS risk assessment.

#### **Met CC Finance Working Group**

Advising on the governance arrangements established for the identification and recovery of salary overpayments linked to flexible working. Recovery continues to take place and DARA are support the investigation of potential integrity issues.

#### **Organisation Learning Review – Diamond Groups**

DARA are advising on the planned review of the MPS Diamond Groups and their input to organisational learning. DARA will also contribute to the planned review of organisational learning by the Open University.

#### **Information Assurance and Security Board and Sub Boards**

Advising on security and information management risks and controls, informing the Board of key issues arising from audit activity in this area of the business via the relevant sub-groups.



## Summary of DARA Activity 3<sup>rd</sup>/4<sup>th</sup> Quarter 2016/17

### Systems Development and Change Management – Advisory Work - Quarter 4

#### Leading For London Programme Board

Attend the Board in particular planning to advise on the process being developed to support the evaluation of the effectiveness of the Programme as it continues to be rolled out.

#### Vetting

DARA vetting review is informing development of control framework for the security vetting of police officers and staff, which is to be taken forward by AC Professionalism.

#### Occupational Health Outsourcing

At the request of the business DARA are advising on risks and controls focusing on the development of an effective contract management framework for the outsourced occupational health service.

#### Criminal Exhibits Management

DARA attended the second Criminal Exhibits Diamond Group in February 2017 established to develop collective strategic support for the business change required to policies, processes and practises governing the management of criminal exhibits. Comments provided on policy and a risk document. The management of criminal exhibits are now a key organisational risk and DARA review activity is informing risk mitigation.

### Counter Fraud Programme – Quarter 4

#### Fraud Prevention Strategy and Training

A draft MOPAC/MPS Anti- fraud Strategy has been developed. The intention is to present the draft strategy to the June meeting of the joint Audit Panel. Actions from the plan supporting the strategy will be taken forward by the joint Fraud Forum. Following liaison with the MPS corporate risk team, the updated MOPAC/MPS fraud risk analysis (identification and management of fraud risks) is now incorporated into MPS business risk registers. The mandatory e-learning anti-bribery and fraud awareness training was launched in January 2017. The MPS Management Board has issued a directive to staff in high fraud risk areas to ensure completion of the e-learning training by end of quarter one of this year.

#### Fraud Investigation

Investigations into cases of potential fraud and financial irregularities continue with 28 active cases, 13 of which are National Fraud Initiative related. There has also been a significant commitment to case preparation for two upcoming trials. There is a commitment from DARA to seek financial recovery when appropriate. As an example, two cases which have been subject to extensive financial investigation are set for trial, one civil and one criminal, within the next three months. The total value which will be sought in compensation/restitution for these cases alone is in the region of £400k.

#### Interrogating Key Financial Systems and Data

Proactive analysis of key financial systems monitoring and identifying trends supporting investigations and audits. Research has been conducted into analytical systems to assist with automated identification of anomalies and trends. Analysis has been undertaken into Volunteer Unofficial Funds Accounts (VUFs). Initial findings have been reported to Corporate Finance and further analysis into this, and also business interests, continues.

#### National Fraud Initiative (NFI)

The 2016/17 NFI data matching exercise was undertaken this quarter, a total of 5443 matches have been received, a reduction of 26% from last year. There are 1713 recommended (priority) matches, a reduction of 3% mainly in pensions and payroll. Liaison with staff in Equiniti and SSCL to investigate matches has commenced. Matches have decreased in: pensioners on injury benefits; pensioners on our payroll; all payroll reports (especially MPS employees on another payroll) and creditor history report on duplicate invoices matched by three fields. Matches have increased in: all creditor standing reports and all other creditor history reports (including incorrect VAT payments, none in NFI 2014/15).



## Summary of DARA Activity 3<sup>rd</sup>/4<sup>th</sup> Quarter 2016/17

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## Internal Audit Plan 2016/17 – Quarterly Activity

Risk and Assurance Review Programme (incl. Follow Ups)

Risk & Assurance Review – Final Report	Assurance Rating
<b>Framework Supporting Rollout of Body Worn Video *</b>	<b>Substantial</b>
Firearms Licensing Framework	Adequate
Firearms – Post Incident Review	Adequate
MOPAC Grants Allocation Management (including MOPAC Commissioning Framework)	Adequate
<b>Falcon – Cyber Crime *</b>	<b>Adequate</b>
<b>Internal Communications – Workforce Engagement *</b>	<b>Adequate</b>
<b>Data Security Assurance Framework *</b>	<b>Adequate</b>
<b>MIPS Programme Governance *</b>	<b>Adequate</b>
<b>Transformation/Change Governance *</b>	<b>Adequate</b>
<b>Training and Development – Implementation of Managed Service Provider Framework *</b>	<b>Limited</b>
<b>Cyber Security *</b>	<b>Limited</b>
<b>Offender Management Framework *</b>	<b>Limited</b>
<b>Performance Management Framework – Senior Police Officers *</b>	<b>Limited</b>
<b>Management and Escalation of Change Programme and Project Risks *</b>	<b>Limited</b>

Follow Up Review – Final Report	Assurance Rating
Digital Policing Risk Management Framework	Substantial
<b>MOPAC Statutory Compliance Framework *</b>	<b>Substantial</b>
Gangs Strategy and Implementation	Adequate
Allocation and Deployment of Firearms Officers	Adequate
Area Hubs	Adequate
Information Management - Data Sharing	Adequate
<b>Criminal Justice Operating Systems Framework *</b>	<b>Adequate</b>
<b>Workforce Data and Deployment *</b>	<b>Adequate</b>
<b>Budgetary Control Framework *</b>	<b>Adequate</b>
<b>Working Time Regulations Compliance Framework – Police Officers *</b>	<b>Adequate</b>
<b>Estate Strategy – Management of DP Interdependencies *</b>	<b>Adequate</b>
<b>MOPAC Business Crime Strategy and Implementation Framework *</b>	<b>Adequate</b>
Claims Against the Commissioner (incl. Fairness at Work)	Limited
ICT Access and Security	Limited
<b>Benefits Realisation Framework *</b>	<b>Limited</b>
<b>Custody Management and Provision – Met Detention *</b>	<b>Limited</b>

\* Issued since last update

## Internal Audit Plan 2016/17 – Quarterly Activity

Risk & Assurance Review – Draft Report Stage	Status
Police Officer Discipline Framework c/f from 2015/16	Draft Report Issued
Working Time Regulations Compliance Framework - Police Staff	Draft Report Issued
Mobility Project Governance	Draft Report Issued
SSCL Contract/Client Relationship Management	Draft Report Issued
Contract/Client Relationship Management – DP SIAM Towers Model	Draft Report Issued
Digital Policing Transformation - Residual Risks (included in DP SIAM Towers report)	Draft Report Issued

Follow Up Review – Draft Report Stage	Status
Equalities Strategy and Implementation	Draft Report Issued
Risk Management Maturity – Directorate Level	Draft Report in Preparation

Risk & Assurance Review - In Progress	Status
MOPAC Governance (regulatory framework)	Fieldwork in Progress
Borough Operational Review (including follow up of 2015/16 review)	Scoping

Risk & Assurance Review – Draft Report Stage	Status
Productivity (including Managing Demand) c/f from 2015/16	Draft Report Issued
Key Financial Systems Assurance	Draft Report Issued
Savings Plan and Delivery Framework	Draft Report in Preparation
MOPAC Professional Standards/Complaints Framework	Draft Report in Preparation
Financial Governance Framework	Draft Report in Preparation

Follow Up Review – Draft Report Stage	Status
FM Contract Management Framework	Draft Report in Preparation
SOECA Command Use and Deployment of Resources	Draft Report in Preparation

Follow Up Reviews - In Progress	Status
Investigations – Management, Capacity and Capability	Fieldwork in Progress
Crime Prevention Strategy and Framework	Scoping
MOPAC Treasury Management Strategy and Control Framework	Scoping