
MPS-MOPAC JOINT AUDIT PANEL

27 July 2020

MPS-MOPAC Joint Audit Panel Work Plan 2020/21 and Terms of Reference

Report by: Chair of the MPS-MOPAC Joint Audit Panel

Report Summary

Overall Summary of the Purpose of the Report

The 2020/21 Work Plan for the joint Audit Panel is presented for consideration and approval.

Key Considerations for the Panel

The Panel will want to be satisfied that the work plan will enable it to discharge its responsibilities, as set out in its terms of reference.

Interdependencies/Cross Cutting Issues

The work plan will set the agenda and reporting requirements for MOPAC and the MPS for each of the meetings of the Panel for 2020/21.

Recommendations

The Audit Panel is recommended to consider and agree the proposed 2020/21 Work Plan for the MPS-MOPAC Joint Audit Panel and review its Terms of Reference.

1. Supporting Information

- 1.1 The proposed work plan for the joint Audit Panel for 2020/21 is at Appendix 1 and is designed to ensure that the Panel is able to effectively discharge its function in line with its agreed terms of reference (Appendix 2). The Work Plan can be amended and added to during the year as agreed by the Audit Panel.
- 1.2 The intention is for the Panel to continue to meet on a quarterly basis with the option to arrange additional ad hoc meetings should it be determined necessary. Briefing sessions for members of the Panel will supplement the formal meetings. The Chair will continue to meet with the Deputy Mayor for Policing and Crime and the Commissioner of the Met Police as well as members of their respective Executive teams.
- 1.3 An annual report of the work of the Audit Panel will be produced, which include a review the effectiveness of the Panel. It is anticipated this will be available for the January 2021 meeting of the Panel.
- 1.4 The Panel will also annually review its Terms of Reference. The work plan will be amended, as necessary, to reflect any significant changes to the Panel's Terms of Reference.

3. Equality and Diversity Impact

There are no immediate equality and diversity implications arising from this report. However, the Audit Panel has a remit to satisfy itself on behalf of the Deputy Mayor for Policing and Crime and the Metropolitan Police Commissioner that an efficient and effectively performing framework is in place to discharge statutory requirements for equalities and diversity and to ensure continual improvement.

4. Financial Implications

There are no immediate financial implications arising from this report.

5. Legal Implications

There are no direct legal implications arising from this report.

6. Risk Implications

There are no immediate risk implications arising from the report. However, the Audit Panel has a remit to advise the Deputy Mayor for Policing and Crime and the Metropolitan Police Commissioner on the effectiveness of their respective risk management frameworks.

7. Contact Details

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8. Appendices and Background Papers

Appendix 1: Proposed Audit Panel Work Plan 2019/20

Appendix 2: Audit Panel Terms of Reference

Draft Joint Audit Panel Work Plan 2020/21

26 October 2020

QUARTERLY REPORTS	
1	Risk Management MOPAC Risk Management Quarterly Report Met Risk Management Quarterly Report Alignment of MOPAC and Met Risks
2	Governance MOPAC and Governance Improvement Plan Quarterly Update Met Governance Improvement Plan Quarterly Update
3	Director of Audit, Risk and Assurance – Internal Audit Quarterly Activity Report
4	External Audit 2019/20 Findings Report
5	Met Audit and Inspection Quarterly Report
6-MONTHLY AND ANNUAL REPORTS	
6	Met Inclusion, Diversity and Equalities
7	Met Health and Safety Six-monthly Update
8	MOPAC Commissioning Frameworks Update
9	Commercial Outcomes
10	MOPAC and MPS - Review of Anti- Fraud, Bribery and Corruption Strategy and Response Plans (including update on response to DARA review)

6 January 2021

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4	External Audit Update
5	Met Audit and Inspection Quarterly Report
6-MONTHLY AND ANNUAL REPORTS	
6	Treasury Management Strategy – Annual Update
7	Transformation Portfolio Six-monthly Update
8	Capital Strategy, Planning and Control – Annual Update
9	2020/21 Statement of Accounts
10	Audit Panel Annual Report (incl. review of effectiveness)

March 2021

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1	Risk Management MOPAC Risk Management Quarterly Report Met Risk Management Quarterly Report Alignment of MOPAC and Met Risks
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6	MPS Inclusion, Diversity and Equalities
8	Met Health and Safety Six-monthly Update
9	DARA 2020/21 Internal Audit Plan for MOPAC and Met
10	Review of Accounting Policies 2020/21
11	Audit Panel Work Plan 2021/22

MOPAC and MPS Audit Panel TERMS OF REFERENCE

Composition of the Panel

The Audit Panel comprises four members, who are independent of the Mayor's Office of Policing and Crime (MOPAC) and the Metropolitan Police Service (MPS). Where it is considered that specialist skills are required, the Panel is able to seek approval from the Deputy Mayor Policing and Crime (DMPC) and Commissioner to add to the membership accordingly.

The executive of MOPAC and a representative of the Command Team of the MPS are required to attend each meeting of the Panel. Attendees will, therefore, include the Chief of Corporate Services; MPS Director of Commercial and Finance; Chief Executive, MOPAC; and the Chief Financial Officer, MOPAC. The Director of Audit, Risk and Assurance (Head of Internal Audit for MOPAC and the MPS), also attends each meeting, along with a representative of external audit.

Purpose

The Audit Panel is responsible for enhancing public trust and confidence in the governance of MOPAC and the MPS. It also assists MOPAC in discharging statutory responsibilities in holding the MPS to account, and in delivery of the Police and Crime Plan (PCP) and the transformation of the MPS. This is achieved by;

- Advising MOPAC and the Metropolitan Police Commissioner according to good governance principles.
- Providing independent assurance on the adequacy and effectiveness of the MOPAC and MPS internal control environments and risk management frameworks.
- Overseeing the effectiveness of the frameworks in place for ensuring compliance with statutory requirements, and in particular those in respect of health and safety, and inclusion, diversity and equalities.
- Independently scrutinising financial and non-financial performance to the extent that it affects the MOPAC and MPS exposure to risks and weakens internal control.
- Overseeing the financial reporting process.

Objectives

The Audit Panel has a rolling programme of meetings, typically meeting four times a year (March, June, September, January). In effectively discharging its function it is responsible for:

Internal Control Environment and Governance Framework

- Satisfying itself as to the effectiveness of the internal control framework in operation within MOPAC and the MPS and advising the DMPC and Metropolitan Police Commissioner as appropriate.

- Considering the Annual Governance Statements together with associated action plans for addressing areas of improvement and advising MOPAC and the MPS as appropriate.

Police and Crime Plan (PCP) and MPS Transformation

- Regular review of the risks to the delivery of the PCP and MPS transformation and providing assurance of the effectiveness of mitigating actions.

Corporate Risk Management

- Approving the MOPAC and MPS risk management strategies and frameworks; ensuring an appropriate framework is in place for assessing and managing key risks to MOPAC and the MPS.
- Providing assurance to the DMPC and Metropolitan Police Commissioner as appropriate on the effectiveness of the risk management frameworks in operation.

Financial Reporting

- Considering the financial risks to which MOPAC and the MPS are exposed (including those that relate to treasury management) and approving measures to reduce or eliminate them or to insure against them.
- Reviewing the Annual Accounts and in particular any significant accounting provisions, adjustments and judgements made.
- Considering significant accounting strategies (including treasury and commercial management), policies and any changes to them.

Inclusion, Diversity and Equalities

- Satisfying itself on behalf of the DMPC and Metropolitan Police Commissioner that an efficient and effectively performing framework is in place to discharge statutory requirements for inclusion, diversity and equalities and to ensure continual improvement.

Safety and Health

- Satisfying itself on behalf of the DMPC and Metropolitan Police Commissioner that an efficient and effectively performing framework is in place to discharge legal duties in relation to health and safety and to ensure continual improvement. In particular with regard to the safety, health and welfare of police officers and staff, people in the care and custody of the MPS, and members of the public on police premises or property.

Internal Audit

- Advising the DMPC and Metropolitan Police Commissioner on the appropriate arrangements for internal audit and approving the Internal Audit Charter and Strategy.
- Approving (but not directing) the internal audit annual programme.
- Overseeing and giving assurance to the DMPC and Metropolitan Police Commissioner on the provision of an adequate and effective internal audit service; receiving progress reports on the internal audit work plan and ensuring appropriate action is taken in response to audit findings, particularly in areas of high risk.

- Considering the Director of Audit, Risk and Assurance Annual Report and annual opinion on the internal control environment for MOPAC and the MPS; ensuring appropriate action is taken to address any areas for improvement.

External Audit

- Noting the external audit programme and associated fees.
- Reviewing the external auditor's Audit Findings Report and any other reports, reporting on these to the DMPC and Metropolitan Police Commissioner as appropriate and including progress on the implementation of agreed recommendations.
- Reviewing the External Auditor's Annual Audit Letter making recommendations as appropriate to the DMPC and Metropolitan Police Commissioner.
- Considering significant accounting policies and any changes to them.

Integrity, Ethics, Fraud and Corruption

- Reviewing and monitoring the effectiveness of MOPAC and MPS strategies and policies for addressing issues of integrity and ethical behaviour and tackling fraud and corruption.

Assurance Framework

- Considering HMICFRS, external review agencies and any internal inspection reports that provide assurance on the internal control environment and/or may highlight governance issues for MOPAC and/or the MPS.
- Advising the DMPC and Metropolitan Police Commissioner on the effectiveness of the overall assurance framework in place.

Audit Panel Effectiveness

- Annual appraisal of the Audit Panel operations is conducted and an annual report produced and reported to the DMPC and the MPS Commissioner, which is published on the Audit Panel webpage.
- Annual performance appraisals of members are conducted by the Chair of the Panel. An annual performance appraisal of the Chair is conducted by the DMPC and Commissioner, informed by the review of Panel effectiveness.