

MPS-MOPAC JOINT AUDIT PANEL

26 October 2020

Record of the Meeting

PRESENT

Panel:

Suzanne McCarthy – Audit Panel Chair
Reshard Auladin – Audit Panel Member
Graeme Gordon – Audit Panel Member
Jon Hayes – Audit Panel Member

Attendees:

Will Balakrishnan, Director of Commissioning and Partnerships, MOPAC
James Bottomley, Head of Governance and Risk, MOPAC
David Esling, Head of Audit and Assurance, Internal Audit
Lindsey Heaphy, Head of Audit and Assurance, Internal Audit
Roisha Hughes, Director of Strategy and Governance, MPS
Phil Ind, Commercial Director, MPS
DAC Matt Horne, MPS
Nick Kettle, Head of Safety, Health and Wellbeing, MPS
Diana Luchford, Chief Executive, MOPAC
Jo Moore, Chief Finance Officer, MOPAC
Iain Murray, External Audit, Grant Thornton
Julie Norgrove, Head of Internal Audit for MPS and MOPAC
Ian Percival, Director of Finance, MPS
Commander Catherine Roper, Professionalism, MPS
Robin Wilkinson, Chief of Corporate Services, MPS

1. APOLOGIES FOR ABSENCE, INTRODUCTIONS AND DECLARATIONS OF INTERESTS

- 1.1 No declarations of interest were received.
- 1.2 An apology from Paul Wylie was noted.
- 1.3 The meeting started with a discussion of the impact of the Covid-19 pandemic and how well the governance arrangements and control mechanisms of the MPS and MOPAC were operating to support the organisations.
- 1.4 The Chair advised the meeting that in October 2020 the Panel had informative briefing sessions with the MPS on the work on transformation and digital policing.

2. RECORD OF THE MEETING HELD ON 27 JULY 2020

- 2.1 The record of the meeting on 27 July 2020 was agreed. The completed actions were noted.

3. MPS DIVERSITY, INCLUSION AND EQUALITIES UPDATE

- 3.1 Catherine Roper introduced the report updating the Panel on the MPS's progress in implementing the recommendations made by the Directorate of Audit, Risk and Assurance (DARA) regarding diversity and inclusion in the MPS.
- 3.2 The Panel noted the report provided an update on the MPS's work addressing the DARA recommendations. A fuller update on the impact of the implementation of the MPS's diversity and inclusion strategy was sought by the Panel. It was also noted that more clarity was needed to determine the level of progress made in addressing the DARA recommendations and timescales for implementing those areas that remained outstanding.
- 3.3 The MPS assured the Panel that there was a significant amount of work being undertaken in this area.

Actions:

- MPS to provide the Panel (at a separate meeting to be organised) with a deep dive briefing on its strategic approach to diversity and inclusion and the development of the supporting framework, highlighting; progress made in the past four years, the MPS's strategic ambition, development of the performance framework supporting delivery, and how the MPS will measure progress and success.
- MPS to provide for the January and March 2021 meetings reports updating the Panel on progress on the planned revision of the Diversity and Inclusion Strategy and further development of the framework supporting delivery.

Resolved: The Audit Panel noted the progress the MPS had made on implementing the DARA audit recommendations and the ongoing review of the STRIDE strategy.

4. MPS HEALTH, SAFETY AND WELL-BEING PERFORMANCE

- 4.1 Nick Kettle introduced the report providing assurance to the Panel that the MPS had suitable governance arrangements in place to manage health and safety. It noted that there were no immediate significant health and safety implications.
- 4.2 The Chair thanked the MPS for the comprehensive report. There was a discussion of the MPS's progression on the safety maturity model and the ambition to achieve level four by the end of 2022/23. There was also a discussion on Wellbeing and how to what degree staff were feeling supported during the pandemic including the level of support available.

Action: MPS to provide for the March 2021 meeting detail on achieving level four on the maturity model.

Resolved: The Audit Panel noted the report and how it provided assurance that the MPS continued to have effective controls in place for the management of health and safety risks.

5. EXTERNAL AUDIT UPDATE

- 5.1 Iain Murray introduced the Grant Thornton report advising the Panel on progress with the 2019/20 external audit and that there were no significant issues to report at this stage. Due to Covid-19, the timetable had been adjusted and Grant Thornton would be issuing the unqualified opinions and value for money report in the next 10 days. The impact of Covid-19 had been reflected in their work, and the Audit Findings Report would be presented at the January 2021 meeting of the Panel.

Action: Grant Thornton to present its Audit Findings Report to the Panel's meeting in January 2021.

Resolved: The Audit Panel noted the Grant Thornton external audit update report.

6. MOPAC AND MPS RISK MANAGEMENT QUARTERLY REPORTS

MOPAC Report

- 6.1 James Bottomley introduced the MOPAC Risk Management Report, which provided an overview of MOPAC's risks along with MOPAC's processes for ensuring controls were in place to address these risks. The report highlighted risks where controls impact on risk score most significantly.
- 6.2 The Panel was assured of the measures applied to manage the key risks identified and noted the improved presentation in the report of the controls in place to support mitigation.

Resolved: The Audit Panel noted MOPAC's risk management approach.

MPS Report

- 6.3 Roisha Hughes introduced the MPS's Risk Management Report. The quarterly report provided an overview of the corporate risks and the status of their controls.
- 6.4 There was a discussion of the impact of a reduced budget and the MPS's plans for addressing this. This will be reviewed in more detail at the briefing planned for the Panel in early January 2021.

Action: The MPS to include in its report to the January 2021 meeting more detail on how an increase in risk maturity across the organisation is to be achieved.

Resolved: The Audit Panel noted the MPS's key risks and the governance arrangements that were in place to ensure they were being effectively managed.

7. MOPAC AND MPS GOVERNANCE IMPROVEMENT PLANS

MOPAC Report

- 7.1 James Bottomley introduced MOPAC's quarterly Governance Improvement Plan

Report. The Panel was advised that there were several work-streams where delivery dates had been reviewed to reflect a more realistic timeframe for delivery, but that MOPAC did not consider there was a significant risk from these changes. The remainder of the plan was on target to be delivered within the defined timescales.

Action: MOPAC to include in its report to the January 2021 meeting the outcome of the Decision Making pilot and potential revision of the scheme of delegation.

Resolved: The Audit Panel:

- a. Noted the Governance Improvement Plan and the progress made to the end of Quarter 2.
- b. Noted the areas which were highlighted where delivery timescales had been pushed back.

MPS Report

7.2 Roisha Hughes introduced the MPS's Governance Improvement Plan Report. The Panel were assured that the planned improvements would not be materially affected by the change of timescales in some areas.

7.3 There was a discussion on the development of the 1 and 2 levels of assurance and the work being undertaken to strengthen both areas. The Panel requested clarity on the activity taking place to increase particularly level 1 assurance and for this to be reflected in future reports.

Action: MPS to include in future Governance Improvement Plan reports the activity taking place to increase level 1 assurance.

Resolved: The Audit Panel:

- a. Noted the updated Governance Improvement Plan and the progress made in at Quarter 2.
- b. Noted the areas highlighted amber where delivery timescales had been pushed back – or at risk of doing so in the next quarter.

8. MOPAC COMMISSIONING FRAMEWORK ANNUAL UPDATE

8.1 Will Balakrishnan introduced the report updating the Panel on MOPAC's ongoing work to further strengthen MOPAC's commissioning activity and to deliver on the recommendations of DARA's audit on its Grants and Commissioning Framework, and the recommendations from an external review of its grant-award and procurement processes.

8.2 There was a discussion of how MOPAC assesses the impact of its commissioning activity and the recent review of the training needs of MOPAC staff, including on commissioning and contract and grant management.

Action: MOPAC to provide an update report to the Panel's March 2021 meeting, covering further planned improvements, the publication of evaluations of commissioning activity and the outcome of the planned DARA review.

Resolved: The Audit Panel:

- a. Noted the report and Appendix 1 and the progress made since the last report submitted to the Audit Panel in January 2020.
- b. Noted the work which was continuing to further strengthen MOPAC's commissioning processes and approach.

9. MOPAC AND MPS REVIEW OF ANTI- FRAUD, BRIBERY AND CORRUPTION STRATEGY AND RESPONSE PLANS

- 9.1 Jo Moore and Matt Horne introduced the report updating the Panel on the implementation of the MOPAC/MPS Anti- Fraud, Bribery and Corruption Strategy.
- 9.2 The Panel noted progress made by MOPAC. It also noted that the MPS report did not provide detail on the action plan supporting the implementation of the Strategy in the MPS and that the update on the DARA Counter fraud review would have benefited from additional information on the actions outstanding and timescales for their implementation.

Action: MPS to report to the Panel's January 2021 meeting with an update on the implementation of the recommendations from DARA's audits and the implementation of its Action Plan supporting the Strategy; including timescales for any outstanding actions.

Resolved: The Audit Panel noted the progress of the implementation of the strategy and the further work to be undertaken.

10. MPS ANNUAL COMMERCIAL STATEMENT

- 10.1 Phil Ind introduced the report updating the Panel on the activities undertaken by the MPS's Commercial Function in 2020. A substantial amount of work had been undertaken to transform Commercial Services, with a number of notable milestones achieved. Further key developments were planned and the Panel was invited in the report to oversee further progress.
- 10.2 The Panel welcomed the MPS's ambition for improvement in Commercial Services and the progress that had been made.

Action: MPS to report to the Panel's March 2021 meeting with a concise improvement plan enabling the Panel to track progress.

Resolved: The Audit Panel noted the progress made to date and the remaining challenges upon which regular updates will be provided to the Panel.

11. INTERNAL AUDIT QUARTERLY ACTIVITY REPORT

- 11.1 Julie Norgrove introduced the report summarising the work carried out by DARA since the Panel last met, including internal audit risk and assurance reviews, advisory and systems development work and counter fraud activity.

- 11.2 The Panel discussed the follow-up reviews DARA had completed and where improvement had been made. The Panel particularly noted the advisory work undertaken in this period – where DARA provided risk and control advice to senior management in high risk areas of MPS and MOPAC business.

Resolved: The Audit Panel noted the outcome of DARA's work undertaken to date and the status of current and planned activity.

12. MPS AUDIT AND INSPECTION REPORT

- 12.1 Roisha Hughes introduced the MPS's quarterly audit and inspection report, updating the Panel on the implementation of recommendations arising from DARA audits and HMICFRS inspections.
- 12.2 There was a discussion of the impact of Covid-19 on causing a delay in the completion of a number of the actions by the originally agreed deadlines.

Resolved: The Audit Panel noted the progress that had been made to centrally track and monitor audit actions that met an agreed threshold.

13. AOB

- 13.1 The date of the next meeting is 18 January 2021
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