

Summary of DARA Activity 4th Quarter 2013/14**Risk Based Reviews**

Audit Title	Areas of Effective Control	Key Controls for Improvement	Management Action and Progress
Assurance Rating = Substantial There is a sound management of control operating effectively to mitigate key risks, which is contributing to the achievement of business objectives.			
Data Centre and 3rd Party Control Framework Draft: Feb 2014 Final: Feb 2014	<ul style="list-style-type: none"> • Contracts define governance framework. • Overall effective design reducing the risk to the security, continuity and validity of MPS data centre operations. • Physical security and access controls protect computer equipment from accidental or deliberate damage; provide separation of data; and reduce the risk of unauthorised access • Environmental and resilience controls. • IT Infrastructure restricted to authorised and valid staff only. 	None Identified.	None.
Trident Gang Command Draft: Feb 2014 Final: March 2014	<ul style="list-style-type: none"> • Clearly documented strategy and plan in line with MPS and MOPAC priorities supported by clear guidance and procedures. • Risk Management • Effective governance framework overseeing strategy implementation and the deployment of resources. • Police staff and officer numbers have been aligned to meet the needs of both the MPS and LCRB strategies enabling effective use of resources in delivery of the strategy. • Clearly defined partner strategy and effective engagement and monitoring of BOCUs with partner organisations. • Comprehensive, relevant and timely management information and operational intelligence. 	<ul style="list-style-type: none"> • Resolution of business resilience issues. • Provision of feedback from Home Office Peer Reviews on corporate basis. • Follow up TGC peer review programme 	Three medium risk management actions have been agreed with a target date for implementation of July 2014.

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Assurance Rating = Adequate 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.			
CT Funding and Control Draft: Feb 2014 Final: March 2014	<ul style="list-style-type: none"> • Grant Agreement signed properly approved and sets out key deliverables. • Effective oversight and monitoring of funding stream by CT Grant Board. • CT Governance Board chaired by ACSO reviews governance within the One Met structure and links to Police and Crime Plan. • Clearly defined guidelines and instructions for managing expenditure and bids. • Nominated leads for delivery of CT and Protective Strategy and for each strand. • Financial and performance data presented to the CT Grant Board. 	<ul style="list-style-type: none"> • Agree and publish CT Strategy, and supporting implementation plan. • Detailed reporting of performance in achieving the key deliverables within the CT Specific Grant Agreement. • Plans for the long term resourcing of areas undertaking CT activity. • Documented strategy setting out approach for the continuation of CT capability in the event of any future funding reductions. 	One high and seven medium risk management actions have been identified with a target implementation date of September 2014.
Provision of Youth Justice (YOTs) Draft: Feb 2014 Final: March 2014	<ul style="list-style-type: none"> • Procedures reflect national guidelines and legislation and provide framework for supporting statutory role of YOT officers. • Clearly defined Information Sharing Agreements between the MPS and its partners. 	<ul style="list-style-type: none"> • Development of strategy to reflect the Police and Crime Plan and ensure resources are appropriately directed to meet statutory obligations. • Consistent approach to managing YOT activity across the MPS. • Review and approval of agreements with local authority YOTs. • Effectiveness of budget and performance management. 	Eleven medium risk management actions have been agreed. One has been partially completed and the remainder have a target date for implementation of March 2015.
Professional Standards – Use and Deployment of Resources Draft: Feb 2014 Final: March 2014	<ul style="list-style-type: none"> • Restructure and process improvements to track projected savings. • Streamlining of working practices resulting in minimal duplication and increased co-ordination of best practice. • Alignment of processes between police officers and police staff resulting in rationalisation of posts, increased resilience and greater 	<ul style="list-style-type: none"> • Development of a strategy to support DPS objectives. • Identification and management of key strategic risks, internal and external. • Development of implementation plan to monitor progress of approved changes under the restructure. • Production of accurate and 	Seven medium risk management actions have been agreed, with a target date for implementation of October 2014.

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	consistency in the management of complaints. <ul style="list-style-type: none"> • Effective monitoring of complaints investigations through monthly and quarterly meetings attended by senior officers as appropriate. 	comprehensive performance data to inform the performance monitoring process.	
Assurance Rating = Limited 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.			
Crime Recording Framework Draft: Feb 2014 Final: March 2014	<ul style="list-style-type: none"> • MPS Crime and Incident Data Quality Strategy in place. • Training provided to First Contact staff within the CCC who deal with the majority of reported incidents giving greater assurance around initial capture of an incident. • Supervisory checks within CCC give assurance around the initial classification of an incident. • Centralisation of crime classification functionality and introduction of the Data Accuracy Team has helped to increase the reported level of compliance with Home Office Counting Rules. • Strategic Crime and Incident Recording Group receives regular reports from a programme of audits carried out and oversees actions. • Regular performance monitoring and reporting within the MPS and by MOPAC. • Comprehensive performance data reported, analysed, scrutinised and placed in the public domain. 	<ul style="list-style-type: none"> • Development of an overall strategy for crime and incident recording across the MPS with supporting implementation plan. • Rationalisation of standards and guidance for incident and crime recording, to provide clear direction and consistent approach. • Clearly defined governance arrangements for each stage of the process. • An integrated IT system for crime and incident data capture and reporting. • Review and evaluate training and develop training plan. • Strengthen supervision and review of classification of incidents. • Regular oversight and analysis of changes to crime classifications, and variations in screening in/out. • Rationale for the size, composition and work of DAT to be documented and linked to a risk assessment. • Trends and/or issues relating to data quality and integrity to receive scrutiny to maintain confidence in the accuracy of the underlying data. 	Four high and 11 medium risk management actions have been agreed.

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<p>Criminal Justice Operational Framework</p> <p>Draft: March 2014 Final: March 2014</p>	<ul style="list-style-type: none"> • Draft action plan produced by key partner agencies. • Joint working and an SLA in place between MPS and CPS to improve case file quality. • Introduction of digital case files for criminal prosecutions. • Robust CJ Change project governance with clearly stated benefits tracked and risk management established. • Capital funding for investment in IT case management has been approved. • Effective performance monitoring within the MPS, with data sharing amongst partner agencies. 	<ul style="list-style-type: none"> • Strategic CJ action plan to include clear targets for each CJ strand. • Approval of all strategic and operational action plans across partner agencies. • Production of detailed risk registers to include all intended mitigation. • Updated procedures and guidance to be readily available on MPS intranet. • Formal agreement of case build requirements for each crime type for cases processed by SC&O. • Consistent case build processes across all MPS B/OCUs. • Consistent decision making and supervisory processes. • Effective case management software. • Co-ordination of change activity to prevent the need for further changes at a later date. • Consistent quality assurance activity for all operational areas. • Effective processes to support performance management. 	<p>Two high risk and 17 medium risk management actions have been agreed, with a target implementation date of September 2014.</p>

Interim Audits – Follow Up Reviews

Audit Title	Areas of Improved Control	Continuing Areas for Improvement	Management Action and Progress
<p>Assurance Rating = Adequate 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.</p>			
<p>Olympics Legacy</p> <p>Draft: March 2014</p>	<ul style="list-style-type: none"> • Assets retained after the Olympics are appropriately reflected on the asset register. 	<ul style="list-style-type: none"> • Effective oversight to confirm implementation of the 71 recommendations made to address areas 	<p>The two medium risk agreed management actions have been partly implemented. The target date for</p>

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Audit Title	Areas of Improved Control	Continuing Areas for Improvement	Management Action and Progress
<p>Final: March 2014</p> <p>Warehousing Stock Control</p> <p>Draft: Feb 2014 Final: March 2014</p>	<ul style="list-style-type: none"> Establishing National Uniform Managed Service for implementation end of 2014. Full stock take completed and a perpetual inventory introduced. Improved processing within the distribution warehouse providing facilities to track packages from receipt through to delivery. Weekly and bi-monthly checks of effectiveness are carried out. 	<p>of learning post the Games.</p> <ul style="list-style-type: none"> Review arrangements for the storage and distribution of uniform items to ensure value for money. Return of unused uniform items to Uniform Services. Development of a Service Level Agreement. Development of operational risk registers and implementation plans for Logistics. 	<p>completion is May 2014.</p> <p>Of the original ten agreed management actions, the one high risk has not been implemented. Six of the remaining medium risk have been fully implemented, two partly and two remain outstanding.</p>
<p>Victim Support Strategy and Implementation Framework</p> <p>Draft: March 2014 Final: March 2014</p>	<ul style="list-style-type: none"> Total Victim Care strategy implementation plan approved and made available to all business groups. Raised awareness of Total Victim Care at local through the Professional Leadership programme. Role profiles for officers and staff under the TP Local Policing Model include expectations under Total Victim Care. 	<ul style="list-style-type: none"> System of support for implementation of the Total Victim Care strategy following restructure. Clear responsibilities for outlined performance monitoring. Identification of necessary resources for implementation of the corporate victim care plan. 	<p>Of the four agreed medium risk management actions, one has been fully implemented, two partly and one remains outstanding. The target date for implementation is July 2014.</p>
<p>Treasury Management</p> <p>Draft: March 2014 Final: March 2014</p>	<ul style="list-style-type: none"> Revised MOPAC Treasury Management Strategy aligned with the GLA's Group Investment Syndicate (GIS) Treasury Management Strategy. Funds invested in accordance with the GIS Strategy. Daily reports received from the single Treasury Advisor to the GLA and the GIS members, supplemented with the market information generally available. GIS Counterparty Lending List reviewed regularly. Arrangements for Delegation for the provision of Treasury Management documented within the 2013/14 MPS Treasury Management Strategy. 	<ul style="list-style-type: none"> Clarification of diversification policy for placing funds. GLA Treasury Management Practice notes to be updated and approved by the MOPAC Director of Police Resources and Performance. Meetings held to discuss strategic treasury are minuted, or records maintained of the decisions made or actions required. Agreements regarding cash flow to be documented and adhered to. 	<p>Of the two original agreed management actions, the medium risk action has not been implemented and the high risk action partly implemented. One new risk was identified to prevent additional interest charges.</p>

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Audit Title	Areas of Improved Control	Continuing Areas for Improvement	Management Action and Progress
	<ul style="list-style-type: none"> • Authorisation of investments carried out using the appropriate delegated authority to approve such transactions. • MOPAC Scheme of Delegation has been revised • Regular cash flow statements prepared and checked. 		
SAP Control Framework Draft: Feb 2014 Final: Feb 2014	<ul style="list-style-type: none"> • Implementation of the inactivity report for SAP users. • Automatic updates ensure changes in HR system uploaded to SAP on a daily basis. • Disaster recovery exercise taken. 	<ul style="list-style-type: none"> • Assessment and categorisation of issues identified during the disaster recovery exercise, for allocation and appropriate mitigating action. • Consistent application of contract end dates for temporary staff and contractors to discontinue SAP access. • Alignment of access permissions to the new business roles to remove the risk of separation of duty conflicts. 	Of the four medium risk management actions, one has been fully implemented and three partly implemented. The target date for the remaining actions is 2015.
Major Works Draft: Feb 2014 Final: Feb 2014	<ul style="list-style-type: none"> • Updated guidance and instruction published. • Use of a new professional services framework enables MPS to procure consultants for project management activities, allowing effective performance management. • Appropriate signatures obtained on valuation certificates and information on authorised payments retained. • Independent cost consultant employed for all projects as part of the compliance route to market for contractors. 	<ul style="list-style-type: none"> • Ensure signatures of all stakeholders that are required to sign documents. • Consistent completion of appraisal forms at the required stages of each project. • Completion and implementation of standard Key Performance Indicators to measure performance against three overarching categories of cost, time and quality. 	Of the Eight medium risk management actions, Five have been fully implemented and three partly implemented. Three further medium risk actions have been agreed. The target date for implementation is August 2014.
HOLMES2 Draft: Feb 2014 Final: March 2014	<ul style="list-style-type: none"> • Plans to upgrade the operating system platform have been developed. • Resolution of funding issues for early delivery of the business outcome. • Agreed action plan to mitigate risks until 	<ul style="list-style-type: none"> • Completion of both phases of the HOLMES2 project leading to decommissioning of legacy HOLMES2 links. 	The one high risk agreed management action has been partly implemented. The target for full implementation is September 2014.

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Senior Officer Accommodation Draft: Feb 2014 Final: March 2014	completion of outstanding matters. Restricted Report	Restricted Report	One of the seven agreed actions has been fully implemented, five partly one remains outstanding.
Media and Communications Draft: March 2014 Final: March 2014	<ul style="list-style-type: none"> • Publication of revised media and communications strategy, policy and toolkit, which take account of learning from Filkin and Leveson. • Development of guidance to assist managers disseminate policies. • Effective budget management. 	<ul style="list-style-type: none"> • Embedding strategy and implementing restructure. • Development of asset management systems. 	Of the nine medium risk agreed actions six have been implemented and three partly implemented. The target date for completion of the outstanding action is August 2014.
Assurance Rating = Limited 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.			
Contract Management Framework Draft: Feb 2014 Final: March 2014	<ul style="list-style-type: none"> • Reorganisation of procurement services including a dedicated Contract Management Team responsible for reviewing performance. • Publication of a revised Procurement Policy. • MetHQ procurement function provides the strategic oversight for managing contracts and developing supplier relationships. • Monitoring of KPIs for strategic contracts through monthly and quarterly briefings. • Monitoring of savings information provided monthly and throughout the life of contracts. • Consolidation of the number of contracts held by the MPS, leading to a reduction of approximately 65%. 	<ul style="list-style-type: none"> • Development of a contract management strategy. • Shared Support Services Procurement Operations to be fully resourced. • Design of the corporate approach to contract management. • Identification of corporate objectives for contract management. • Monitoring of all post-contract risks through a mixture of KPI reporting and the use of balanced scorecards. • Consistent monitoring of KPIs for MPS strategic contracts. • Training for contracts managers • Continued rationalisation of contracts with increased use of category management. 	Two of the 14 agreed actions have been implemented and a further seven partly implemented. The remaining four agreed actions, including the one high risk action, remain outstanding with a target date for implementation of October 2014.

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Counter Fraud Work	DARA Activity
Investigations	<p>To date in this financial year DARA have taken on 55 new investigations into potential fraud, abuse and/or non-compliance with regulations/legislation. Seventeen of those cases are 'live', in addition to 2 cases from the previous year. The current cases are:</p> <ul style="list-style-type: none"> 6 False Claim (allowances/expenses) 5 False Claim (pension) 4 False Claim (benefit) 2 Inappropriate use of corporate card 1 Procurement /Contract management 1 Miscellaneous <p>Of the 38 cases concluded this year the outcomes are as follows:</p> <ul style="list-style-type: none"> 11 Referral to Practice Support Team (now part of DPS) 10 Referral to DPS 9 Referral to pension provider 6 Referral to Senior management of (B)OCU or business area concerned 2 Referral to local Authority <p>A pro-active review of overpaid pensions has been conducted in liaison with Pensions Branch which resulted in recoveries/savings of £49k. In consultation with, and with the agreement of, DPS and Finance, DARA are now the single point of contact for benefit fraud referrals involving MPS staff who are not 'captured' by the NFI.</p>
Fraud Prevention/Detection	<p>Anti-Fraud Strategy: Work continues with Professional Standards and Met HQ Corporate Finance to monitor, review and update actions in the implementation plan supporting the strategy. A fraud response plan has been developed into a toolkit in line with MPS policy and procedural structures and content has been finalised in consultation with the MPS Commissioners Policy Forum.</p> <p>Fraud Loss Measurement Exercise: Work has commenced in preparation for a full proactive exercise analysing a statistically valid sample of invoice payments in Quarter 1 of the 2014/15 analytical plan. Details of invoice payments made to vendors/suppliers after the 30 day time limit have been extracted and testing is on-going for potential duplicate payments and/or additions of late payment fees. Invoices submitted for payment of specialist equipment will also be reviewed. The DARA Fraud Risk analysis has also been updated.</p>
Analysis of Key Financial Systems	<p>The following tests have been run by the Analytical team in the previous quarter:</p> <p>Imprest Payments. Analysis has been conducted into a sample of imprest advances of money paid to police officers for expenses incurred whilst carrying out duties outside of the Metropolitan Police District. These payments</p>

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	<p>should be one-off payments and paid to officers who are not registered corporate charge card holders. The test concluded that the process for issuing these payments requires consideration to modernise or use alternative methods of paying expenses to officers. There are 4 claims currently under investigation for potential misuse of the advances by the Counter Fraud Unit which has led to the test being expanded to include an in-depth examination of the claim forms in the original sample.</p> <p>Overpayments of Salary. This test was concluded in the last quarter and identified the risk of late notification to payroll of changes of employee circumstances is contributing to unintentional overpayments of salary to officers/staff. Work has been recommended to review the process to minimise the risk in this area.</p> <p>Analysis of cash banking. An analysis has been conducted into cash collections from Borough Occupational Command Units (BOCUs) to identify any discrepancies in cash handling and inform a review of criminal exhibit store(s) as part of 2014/15 proactive analytical plan. The initial early stages of this review has concluded that of the 40 criminal exhibit stores that are currently in use, there are six where there could be increased risk of theft/misuse of cash and other exhibits. Consultation on these initial findings with MPS Exchequer Services, DARA Audit and Counter Fraud colleagues will determine priorities and formulate an action plan to carry out advisory or full review work in these BOCUs.</p>
National Fraud Initiative (NFI)	<p>In the last quarter, 24 matches were closed. There are 155 outstanding pension matches and four outstanding employee matches. All proactive work on the 10,973 matches has been completed. Savings for this Initiative amount to £10,752 in deceased pensioner payments and £186,271 in duplicate invoice payments.</p>
External Relations	<p>DARA continue to network and maintain regular contact with representatives of other public sector bodies. The Fraud Prevention Manager (FPM) has delivered at the request of CIPFA, fraud prevention training at workshops to staff working in audit and counter fraud teams in public sector organisations which included London Boroughs, District Councils and Housing Associations.</p> <p>The invoices and mandate fraud control measures document is available on the London Fraud Forum website and has been endorsed as a good practice guide at public sector fraud events. DARA FPM will further publicise and promote this at the LAIOG (Local Authority Investigation Officers Group) to continue to assist in preventing and detecting invoicing and mandate fraud across the sector.</p> <p>The London Public Sector Counter Fraud Partnership (LPSCFP) held a training day for members in February 2014 and the Deputy Mayor for Policing and Crime gave a key note speech on business crime and fraud in London and the current police response to fraud in the public sector. Follow up work is planned to research and consult on how to improve how the MPS deal with fraud reports and increase the detection rate. An initiative to create a 'fraud hub' led by MOPAC is being put forward as a proposal. DARA Fraud Prevention Manager continues to chair the fraud</p>

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	prevention sub group of the partnership.