

Report to: Audit and Risk Committee
Agenda item: 6
Date: 5 March 2015
Subject: Management Assurance Return for DfT
Sponsor: Authority Finance Director
For: Noting

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1. Purpose of Paper

1.1 This paper presents the Management Assurance Return (MAR) for the period from 1 April 2014 to 31 December 2014. This is for noting only as the submission has already been made to DfT in accordance with their deadline of 20 February 2015. An earlier version of the MAR was circulated to members of the Committee for comment and the comments received have been incorporated. The submitted MAR is attached as Appendix A. The submission made was approved by both the Force and the Authority Chief Executive.

2. Background

2.1 The MAR was developed by the DfT in 2009-10 as a tool for gaining assurance from all of its agencies and departments including Non-Departmental Public Bodies (NDPBs) on specific issues of internal governance and internal control.

2.2 The MAR in Appendix A is based the new template and assurance questions. The assurance rating given for any particular statement is dependant on the Yes / No responses given to the relevant questions. The Authority will be required to make an end of year submission highlighting any areas that have changed since the nine monthly submission.

2.3 It was agreed that the approach used for 2013-14 which focuses on what assurance the Authority can provide to DfT for each business

area, what arrangements for oversight of BTP activity does the Authority have in place, and finally where relevant, what BTPs arrangements are; would continue to be used for 2014-15. This approach allows the Authority to provide appropriate management responses to DfT highlighting instances where the special requirements of the Authority as a police authority and BTP as a police force apply.

- 2.4 As Accounting Officer, the Chief Executive needs to be aware of areas of weakness and management action planned or taken to rectify them. Consideration of the content of the MAR gives an opportunity for these to be reflected in the Authority's Annual Governance Statement.
- 2.5 There is no requirement for the Authority to provide 'Full' or 'Substantial' assurance across all areas of the return. Indeed to do so could indicate that the Authority has a lack of understanding of its own business. It is however important to provide an accurate response that is capable of scrutiny and supported by evidence. On the revised template any assurance statement that has a rating of below substantial has to submit an action plan as part of the MAR return.
- 2.6 The levels of assurance are defined by DfT, and have been amended since the 2013-14 submission along with the template used. The MAR is now a web based return and unlike previously the Authority is unable to over-write the ratings the responses provide. The assurance levels are now as follows:

Substantial (Substantial and Full)	In my opinion, the framework of governance, risk management and control is adequate and effective.
Moderate (Reasonable)	In my opinion, some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.
Limited (Partial)	In my opinion, there are significant weaknesses in the framework of governance, risk management and

	control such that it could be or could become inadequate and ineffective.
Unsatisfactory (Low)	In my opinion, there are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail

3. Assurance Statements

3.1 All of the Force's departments who have a requirement to provide responses to the MAR have reviewed and updated their sections. All responses have been signed off by Strategic Command Team leads and the MAR was at both Information Compliance Board and Force Executive Board before it was submitted to the Authority. The evidence supporting the content of responses is available for scrutiny on a CD-ROM if required

3.2 Internal Audit are due to start their review on the 2 March and will report back to prior to the submission of the end of year MAR.

3.3 Limited

3.5.1 The following business areas are considered as providing Limited during 2014-15 nine monthly submission:

- Information Assurance

For all of these above areas, action plans have been put in place to improve the assurance rating.

3.4 Moderate Assurance

3.3.1 The following business areas are considered as providing Moderate assurance against the questions in the MAR:

- Procurement and Contract Management
- Our people
- Protective Security

For all of these above areas, action plans have been put in place to improve the assurance rating.

3.5 **Substantial Assurance**

3.4.1 The following business areas are considered as providing substantial assurance against the questions in the MAR:

- Delegated Authority
- Access to Systems
- Treasury and Cabinet Office controls
- Agency / ALB Sponsorship framework & performance management
- Equality duties : Obligations and Do not discriminate
- Programme and Project management
- Risk identification and risk management
- Business Continuity
- Budget setting and corporate plans
- Investment appraisal
- Financial controls
- Financial performance management
- Paying our suppliers and staff – P2P, Manual payments and Government procurement card
- Succession planning
- Health & Safety
- Operational Health & Safety
- Regularity, propriety and conduct
- Fraud and bribery
- Audit Recommendations

3.6 **Limited**

3.5.1 The following business areas are considered as providing Limited during 2014-15 nine monthly submission:

- Information Assurance

4. Recommendation

It is recommended that the Audit Committee:

- 4.1 Note the content of the MAR