

EAST HERTS COUNCIL

AUDIT COMMITTEE - 11 JULY 2012

REPORT BY DIRECTOR OF INTERNAL SERVICES

UPDATE ON IMPLEMENTATION OF 2011/2012 ANNUAL  
GOVERNANCE STATEMENT ACTION PLAN

WARD(S) AFFECTED: ALL

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**Purpose/Summary of Report**

- The 2010/11 Annual Governance Statement includes nine measures to enhance East Herts Council's internal control framework during 2011/12. The Audit Committee is requested to consider the content of Essential Reference Paper 'B' that provides details of proposed actions that need to take place prior to confirmation being given that adequate and effective controls are fully in place.

<b><u>RECOMMENDATION FOR AUDIT COMMITTEE: That:</u></b>	
<b>(A)</b>	<b>The Committee reviews the progress made against implementing the action plan contained in the 2010/11 Annual Governance Statement and advises of any concerns.</b>

1.0 Background

1.1 The Annual Governance Statement Action Plan has identified key responsible officers and timescales and is monitored through reports to this Committee. To date some progress has been made towards achieving planned actions but in order to prevent all actions from continuously being shown as on-going, specific elements have been identified that will enable issues to be fully resolved.

2.0 Report

2.1 For the purposes of the Annual Governance Statement, internal

control is being interpreted in its broadest sense covering both financial and managerial controls that ensure that the implementation of East Herts Council's vision and priorities is being managed effectively.

- 2.2 Position statements are reflected in **Essential Reference Paper 'B'** following consultation with key responsible officers. The position statement contains a traffic light system whereby:
- "green" indicates that the planned action has been achieved,
  - "amber" indicates that satisfactory progress is being made towards achieving the planned action, and
  - "red" is where a planned action has not been achieved or that progress is unsatisfactory.
- 2.3 Since the previous Audit Committee two issues have been considered to be fully resolved as "green" status:
- The C3W Review was endorsed by Corporate Business Scrutiny Committee in March 2012.
  - The Refuse Contact is considered to now be embedded. Internal Audit assessed Refuse as "Substantial assurance" in March 2012.
- 2.4 All outstanding "amber" items will be considered during the process to compile the 2011/12 Annual Governance Statement.
- 3.0 Implications/Consultations
- 3.1 Information on any corporate issues and consultation associated with this report can be found within Essential Reference Paper 'A'.

### Background Papers

Update on Implementation of Annual Governance Statement Action Plan – Audit Committee 14 March 2012.

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