

**ESSENTIAL REFERENCE PAPER 'C'**

**ANNUAL GOVERNANCE STATEMENT ACTION PLAN 2013/14**

**Significant governance issues**

The following required enhancements to internal control arrangements were identified during 2012/13 as a result of the review of arrangements and by the work of external and internal audit:

**Required enhancements to internal control arrangements:**

<b>Issue</b>	<b>Resp. Off.</b>	<b>Initial Target Date</b>	<b>Actions needed to achieve milestone</b>	<b>Current position</b>	<b>RAG status</b>
Risk of failure to deliver an effective, efficient and economic IT service (from 2010/11 Action Plan)	Director of Finance and Support Services/  Head of ICT	March 2014	<ul style="list-style-type: none"><li>• All outstanding high risk IT audit recommendations implemented.</li><li>• Resilient IT business continuity arrangements in place.</li></ul>	<ul style="list-style-type: none"><li>• SIAS continue to monitor.</li><li>• IT business continuity arrangements will be picked up within the Shared Service.</li></ul>	AMBER

IT Risk Diagnostic (Highlighted by SIAS during 2012/13)	CMT	March 2014	<ul style="list-style-type: none"> <li>• Develop an IT strategy which is aligned with the business objectives of the Council and sets out the vision and core priorities for ICT over the next 3 years.</li> <li>• Implement a governance committee to focus on strategic decision making and prioritisation within IT and assign the monitoring of ICT delivery to more operational committees.</li> <li>• Define performance indicators for ICT which are aligned with the business need and with ICT capacity to deliver. On a periodic basis, monitor and report them to business stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>• Shared ICT Service to take forward all actions.</li> </ul>	AMBER
Hertford Theatre future governance arrangements (from 2011/12)	CMT	March 2014	<ul style="list-style-type: none"> <li>• Options to be developed to consider financial and other risks during a period of transition.</li> </ul>	<ul style="list-style-type: none"> <li>• Executive Member and a relevant councillor met with officers and agreed that current business</li> </ul>	AMBER

Action Plan)				<p>plan was working well. Still only two full years into ten year plan and therefore no early decisions would be made to move to alternative governance arrangements.</p> <ul style="list-style-type: none"> <li>• This position will be reviewed annually and is scheduled for Community Scrutiny Committee in September 2013.</li> </ul>	
<p>Asset Management Plan {formerly- Pro-actively seek opportunities to improve performance Plan} (from 2012/13 Action Plan)</p>	CMT	March 2014	<ul style="list-style-type: none"> <li>• Review assets held by the Council.</li> </ul>	<ul style="list-style-type: none"> <li>• Asset Management Plan 2013-17 approved by CMT but has been put on hold pending senior management review of viability of investing in property to generate revenue for the Council.</li> </ul>	AMBER

Impact of Welfare Reform changes (Identified as a new strategic risk)	CMT	March 2014	<ul style="list-style-type: none"> <li>• New Legislation will have an adverse financial impact on a significant number of residents. Provide residents more support for services across the Council to staffing levels, manage the budget and the public expectations. Implement Council policies effectively.</li> </ul>	<ul style="list-style-type: none"> <li>• The workload in Revenues and Benefits service continues to increase. Services across the Council including Housing and Customer Service continue to also experience an increase in demand. Services are working together to work efficiently and effectively to manage workload.</li> </ul>	AMBER
Operating effectively in Shared Services ( taken forward from 2012/13 Action Plan)	CMT	March 2014	<ul style="list-style-type: none"> <li>• Complete a review of the operation of all shared service partnership arrangements</li> </ul>	<ul style="list-style-type: none"> <li>• Review planned.</li> </ul>	AMBER

Risk that S106 Monies remain unspent (Highlighted by SIAS during 2012/13)	Head of Comms, Engagement and Cultural Services/ Head of Planning and Building Control	March 2014	<ul style="list-style-type: none"> <li>Ensure that funds are spent on appropriate schemes in accordance with the terms of the Section 106 agreement which provide value for money for the community.</li> </ul>	<ul style="list-style-type: none"> <li>Regular reports are made to CMT identifying projects and tracking outstanding payments.</li> </ul>	AMBER
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**We propose to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.**

**Certification by the Leader of the Council and the Head of Paid Service:**

<u>Name</u>	<u>Position</u>	<u>Date</u>	<u>Signature</u>
Councillor A P Jackson	Leader of the Council		
George A Robertson	Chief Executive and Director of Customer and Community Services		