

**ANNUAL GOVERNANCE STATEMENT ACTION PLAN 2014/15**

| Issue  | Resp. Off.  | Target Date                                   | Actions needed to achieve milestone  | Current position   | RAG status   |
|--|---|---|--|--|--------------|
| <p>Risk of failure to deliver an effective, efficient and economic IT service.</p> <p>(From 2010/11 Action Plan)</p> | <p>Director of Finance and Support Services/<br/><br/>Head of Business &amp; Techn'y Services</p> | <p>January 2015 revised from October 2014</p> | <ul style="list-style-type: none"> <li>• All outstanding high risk IT audit recommendations implemented.</li> <br/> <li>• Resilient IT business continuity arrangements in place.</li> </ul> | <ul style="list-style-type: none"> <li>• The Shared Internal Audit Service (SIAS), through PwC, have cleared outstanding high risk recommendations in their IT review.</li> <br/> <li>• SIAS have indicated that they are satisfied that resilient business continuity arrangements are now in place. Management have successfully tested the system this year and will test again next financial year.</li> </ul> | <p>GREEN</p> |

## Essential Reference Paper 'B'

|  |            |   |  |  |              |
|--|------------|---|--|--|--------------|
| <p>IT Risk Diagnostic</p> <p>(Highlighted by SIAS during 2012/13)</p>                    | <p>CMT</p> | <p>March 2015 revised from October 2014</p> | <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> </ul> | <ul style="list-style-type: none"> <li>• An IT Strategy, effective April 2015, has been drafted and consultation with senior management is expected to commence shortly.</li> </ul>                          | <p>AMBER</p> |
| <p>Hertford Theatre future governance arrangements</p> <p>(From 2011/12 Action Plan)</p> | <p>CMT</p> | <p>Feb 2015 revised from October 2014</p>   | <ul style="list-style-type: none"> <li>• Review to identify options for alternative governance models and the financial implications of adopting any of those models.</li> </ul>                                   | <ul style="list-style-type: none"> <li>• SIAS, through PwC, are currently undertaking a review of governance arrangements as part of the 2014/15 Audit Plan.</li> </ul>                                      | <p>AMBER</p> |
| <p>Asset Management Plan</p> <p>(From 2012/13 Action Plan)</p>                           | <p>CMT</p> | <p>March 2015 revised from Dec 2014</p>     | <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.</li> <li>• The Executive on 7 October 2014 approved future investment of £10m in</li> </ul> | <p>AMBER</p> |

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|                                  |     |            |   |   |       |
|----------------------------------|-----|------------|---|---|-------|
|                                  |     |            |   | <p>each of two selected property funds which will impact on the Asset Management Plan.</p> <ul style="list-style-type: none"> <li>• An audit of Council land is currently underway to ultimately gain assurance that all sites and assets are managed and that appropriate standards are reflected in corporate policy.</li> <li>• SIAS will be reviewing Asset Management arrangements this financial year.</li> </ul> |       |
| Impact of Welfare Reform changes | CMT | March 2015 | <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</li> </ul> | <ul style="list-style-type: none"> <li>• The Council has responded well to changes in Welfare reform although this has resulted in an</li> </ul>  | AMBER |

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|   |            |                                       |   |   |              |
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| <p>(Identified as a strategic risk in 2013/14)</p>  |            |                                       | <p>across the Council to staffing levels, manage the budget and the public expectations. Implement Council policies effectively.</p>  | <p>increased number of contacts from affected residents. The impact of this increased contact is monitored through appropriate management teams and partnership boards. The timetable for implementation of Universal Credit remains uncertain.</p> |              |
| <p>Operating effectively in Shared Services<br/><br/>(Taken forward from 2012/13 Action Plan)</p> | <p>CMT</p> | <p>Feb 2015 revised from Dec 2014</p> | <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>• The Shared Internal Audit Service are currently undertaking a review of Shared Services Benefits Realisation as part of the 2014/15 Audit Plan.</li> </ul>   | <p>AMBER</p> |

## Essential Reference Paper 'B'

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| <p>Risk that S106 Monies remain unspent</p> <p>(Highlighted by SIAS during 2012/13)</p>      | <p><b>Head of Comms, Engagement and Cultural Services/<br/>Head of Planning and Building Control</b></p> | <p>Dec 2014</p>   | <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>• Reports are made to CMT identifying projects and tracking outstanding payments.</li> <li>• SIAS reviewed this area and reported Moderate assurance in October 2014. Four recommendations made of which one high priority recommendation has been actioned.</li> <li>• Process continues to be monitored.</li> </ul> | <p>AMBER</p> |
| <p>Implementat'n of the Investment Strategy with sufficient levels of governance and due</p> | <p>CMT</p>   | <p>March 2015</p> | <ul style="list-style-type: none"> <li>• Find the optimum position of balancing risk and return and having financial strength to contribute to the local economy.</li> </ul>                                      | <ul style="list-style-type: none"> <li>• Audit Committee in July 2014 agreed a refreshed Treasury Management Strategy allowing investment in to property funds.</li> </ul>   | <p>AMBER</p> |

## Essential Reference Paper 'B'

|   |            |                   |  |  |              |
|---|------------|-------------------|--|--|--------------|
| <p>diligence<br/>(Identified as a new 2014/15 strategic risk)</p>   |            |                   |  | <ul style="list-style-type: none"> <li>• Report on new Property fund proposals approved by the Executive on 7 October 2014.</li> </ul>   |              |
| <p>Development of a District Plan that is approved by the planning inspectorate. (Identified as a new 2014/15 strategic risk)</p> | <p>CMT</p> | <p>March 2015</p> | <ul style="list-style-type: none"> <li>• Plan to be agreed within required timeframe.</li> </ul> | <ul style="list-style-type: none"> <li>• Progress continues to be made on the production of the District Plan. It is clear that detailed scrutiny of the infrastructure that can be provided to support delivery is necessary. Consultants appointed by the Council have undertaken significant work to review the evidence and identify gaps which will need to be filled before the District Plan can move forward to an amendments consultation version.</li> </ul> | <p>AMBER</p> |

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|   |     |            |  | <p>The result of this work will have an impact on the timetable.</p> <ul style="list-style-type: none"> <li>• In December 2014 SIAS reviewed the District Plan Consultation Process and reported full assurance.</li> </ul> |       |
| <p>The effectiveness of the delivery of the Here to Help programme (Identified as a new 2014/15 strategic risk)</p> | CMT | March 2015 | <ul style="list-style-type: none"> <li>• Ensuring challenges are met, particularly staff engagement, communications and adequate resources.</li> </ul> | <ul style="list-style-type: none"> <li>• The Here to Help quarterly update report and recommendations were approved by CMT on 11 November 2014.</li> </ul>  | AMBER |

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|  |            |                   |   |  |              |
|--|------------|-------------------|---|--|--------------|
| <p>Increased levels of demand for our services. (Identified as a new 2014/15 strategic risk)</p> | <p>CMT</p> | <p>March 2015</p> | <ul style="list-style-type: none"><li>• Demonstrate ability to adequately manage increased volume of contact from the public.</li><li>• Demonstrate improvements, removal of barriers and increased capacity.</li></ul> | <ul style="list-style-type: none"><li>• The Here to Help activities are providing a platform for organisational development while the development of a more focused Customer Services Strategy will develop capacity in the medium term.</li></ul> | <p>AMBER</p> |
|--|------------|-------------------|---|--|--------------|