

ANNUAL GOVERNANCE STATEMENT- ACTION PLAN

ESSENTIAL REFERENCE PAPER 'B'

Issue requiring action	Resp. Off.	Target Date	Actions to address the issue raised	Current Status
Risk of failure to deliver an effective, efficient and economic IT service	Alan Madin	March 2011	<ul style="list-style-type: none"> IT Strategy in place. <i>IT Strategy is now in place.</i> All outstanding high risk IT audit recommendations implemented. <i>Some recommendations remain outstanding.</i> Resilient IT business continuity arrangements in place. <i>Some progress has been made.</i> 	AMBER To be carried forward
Leisure Contract- risk of contract failure	George Robertson	March 2011	<ul style="list-style-type: none"> No significant outstanding issues identified from Internal Audit review. <i>All recommendations now resolved.</i> All major building works carried out to client's satisfaction. <i>Discussions re final accounts have been finalised.</i> 	GREEN (from AMBER)
Working arrangements- risk of failure to introduce flexible working arrangements will limit the opportunity to make cost savings, opportunities to work with other partners and adversely affect staff retention.	CMT	July 2011	<ul style="list-style-type: none"> The Changing The Way We Work Programme (C3W) Board meets regularly and monitors the Project Plan. <i>In place.</i> Satisfactory Phase 1 rollout with no substantial unresolved issues. <i>Business Process Improvement (BPI) has been completed in some key services and is on-going in others. Improvement options from this work are being turned into implementation plans. Home working take-up is satisfactory. The Wallfields refurbishment is underway and on track to ensure that final staff move out of The Causeway before the end of August 2011.</i> 	AMBER BPI aspect to be carried forward

<p>To implement health and safety risk assessments and to continue the programme of health and safety training and to review the effectiveness of the risk assessment toolkit and training initiatives.</p>	<p>Chris Gibson</p>	<p>March 2011</p>	<ul style="list-style-type: none"> • Health & Safety Policy in place. <i>In place.</i> • Provision of training to all Safety Liaison Officers. <i>In place.</i> • All risk assessments completed and published on the Intranet. <i>Assessments are posted on Intranet once signed off by Directors. Risk assessments will be updated on completion of moves to Wallfields.</i> • Action Plan in place to address Zurich review of Health & Safety. <i>Action Plan in place.</i> • Risk assessment toolkit review completed. <i>Yet to be undertaken.</i> 	<p>AMBER</p> <p>To be carried forward</p>
<p>Risk that Pathfinder Group fail to deliver required levels of efficiency across Hertfordshire</p>	<p>CMT</p>	<p>March 2011</p>	<ul style="list-style-type: none"> • Project Initiation Documents (PIDs) in place. <i>On-going activity. Collaborative sharing of services being extended between this Council and other councils. Internal Audit shared service commenced in June 2011.</i> • Procurement savings continue to be delivered across the County. <i>Many procurement initiatives currently on-going.</i> • Pathfinder formally closed. <i>EHC replacing with shared services work with SBC and NHDC.</i> 	<p>GREEN</p> <p>(from AMBER)</p>
<p>Risk of significant variance from financial plan.</p>	<p>Alan Madin</p>	<p>March 2011</p>	<ul style="list-style-type: none"> • Timely production of reports. <i>In place.</i> • No significant variances in outcomes compared to provisional outturn figures. <i>Healthchecks on-going.</i> • No positive/ negative variances in excess of £100k not previously reported. <i>Healthchecks on-going. 2010/11 outturn report shows better controls on monitoring now in place.</i> 	<p>GREEN</p> <p>(from AMBER)</p>

			<ul style="list-style-type: none"> • Capital Programme delivered to within 85% of revised budget. <i>Healthcheck monitoring continues.</i> • No significant problems identified by the Internal Audit review of Treasury Management undertaken during 2010/11. <i>Internal Audit has allocated an audit opinion of substantial.</i> 	
Risk of action by key strategic partnerships occurring in an uncoordinated way.	Chief Executive & Directors	March 2011	<ul style="list-style-type: none"> • Partnership protocol in place and tested by responsible officers. <i>Outcomes of testing of protocol reported to Corporate Business Scrutiny Committee in November 2010.</i> • Register of partnerships and risk management issues reviewed by CMT. <i>Actioned in December 2010. All relevant partnerships are on the register.</i> 	GREEN
Need to ensure the Council has the capacity and capability to commission and procure quality services and supplies, tailored to local needs, to sustainable outcomes and value for money.	Alan Madin Chris Gibson	March 2011	<ul style="list-style-type: none"> • Corporate Procurement Strategy. <i>In place.</i> • Procurement Plan approved by CMT. <i>Draft plan to be agreed with Procurement Officer.</i> • Procurement training delivered to Senior Managers. <i>Training course developed for delivery by Shared Procurement Officer.</i> • Revised Procurement Regulations in place. <i>Approved by December 2010 Council.</i> 	GREEN (from AMBER)
NEW FOR 2010/2011				
The actions arising from the review by the External Auditor of audit and scrutiny arrangements need to be completed and embedded during 2010/11 with C3W	Ceri Pettit	July 2011 (Revised to Nov. 2011)	<ul style="list-style-type: none"> • Monitoring arrangements in place for the Scrutiny and Action Plan. <i>Six monthly progress reports to Audit Committee were presented during the period November 2009 to November 2010. Scrutiny evaluation of C3W is scheduled for Corporate Business Scrutiny Committee in</i> 	AMBER To be carried forward

actions continuing in to 2011/12.			<p><i>November 2011.</i></p> <ul style="list-style-type: none"> • Completion of C3W Project. <i>C3W Project Plan runs to July 2011.</i> 	
External Audit review of C3W Programme identified that when undertaking future options appraisals HM Treasury Green Book guidance and other best practice should be followed in preparing the analysis.	Alan Madin	Ongoing	<ul style="list-style-type: none"> • Issue guidance on the Green Book. Case Study presented to Senior Management Group in June 2011. • Ensure that best practice is followed when undertaking future options appraisals. <i>These issues will be picked up by CMT officers at the next future options appraisals exercise.</i> • Materiality of issues to be set out in Business Case PID. <i>PID template in place.</i> • Value for Money expectations outlined in the Corporate Procurement Strategy. <i>In place.</i> • Procurement Regulations in place. <i>Approved by December 2010 Council.</i> 	GREEN (from AMBER)
The need to ensure that an adequate control environment remains in place during a period of constrained resources.	Chris Gibson	March 2011	<ul style="list-style-type: none"> • Internal Control expectations are outlined in the Internal Audit Strategy. <i>In place.</i> • Internal Audit Plan is agreed by the Audit Committee and amended and agreed to reflect resource requirements. <i>In place. Shared Internal Audit Service will take over delivery of plan from 1st June 2011.</i> • Regular reporting by Internal Audit to Audit Committee- <i>arrangements in place and on-going.</i> • Restructuring reports to CMT to include specific consideration of internal control issues. <i>Appropriate consideration given within current Management restructure proposals.</i> 	GREEN (from AMBER)

<p>The need to ensure that appropriate governance arrangements are in place for a Revenue and Benefits Partnership with Stevenage Borough Council.</p>	<p>Alan Madin</p>	<p>April 2011</p>	<ul style="list-style-type: none"> • Hold Harmless Agreement in place for a Revenue and Benefits Partnership with Stevenage Borough Council. <i>Signed by EHC and SBC Directors in September 2010.</i> • Business Case for a permanent partnership arrangement to be considered. Approved by the Executive 15 June 2011. 	<p>GREEN (from AMBER)</p>
<p>The need to ensure that appropriate governance arrangements are in place for the proposed county-wide shared Internal Audit Service.</p>	<p>Alan Madin Chris Gibson</p>	<p>March 2011</p>	<ul style="list-style-type: none"> • Draft Specification for Internal Audit Partnership in place. <i>Shared service to be run by Hertfordshire County Council to commence in June 2011.</i> • Consideration of viability of entering a shared service solution. <i>Approvals in place. Internal Audit Champion will be liaison person with Shared Internal Audit Service.</i> 	<p>GREEN (from AMBER)</p>
<p>The need to review the Council's Performance Management framework following the Government's decision to abolish CAA.</p>	<p>Ceri Pettit</p>	<p>March 2011</p>	<ul style="list-style-type: none"> • 2011/12 Service Planning streamlined to reflect abolished CAA. <i>In place.</i> • East Herts indicator set to be reviewed, so that the measures reflect the Council's requirements. <i>Arrangements in place.</i> 	<p>GREEN</p>
<p>Consultation process as to future Member Leader/ Mayor model.</p>	<p>Simon Drinkwater</p>	<p>May 2011</p>	<ul style="list-style-type: none"> • New Executive arrangements approved. <i>Approved at Council on 8 December 2010.</i> • Amendments to the Constitution approved by Council. <i>Report presented to Council in February 2011. All amendments approved bar one deferred.</i> 	<p>GREEN</p>

Hertford Theatre future governance arrangements.	George Robertson	June 2011 (Revised to June 2013)	<ul style="list-style-type: none"> Options to be developed to consider financial and other risks during and following any period of transition. <i>It is proposed that the question of future governance arrangements should be subject to a 2 year period of operation under the revised management structure to minimise risk</i> 	AMBER To be carried forward
CCTV governance issues.	Simon Drinkwater	June 2011 (Revised to Sept 2011)	<ul style="list-style-type: none"> New governance arrangements agreed. <i>The Executive on 11 January 2011 agreed to investigate new arrangements.</i> New governance arrangements in operation. <i>The Partnership is now seeking legal advice on the future governance arrangements.</i> 	AMBER To be carried forward
Refuse Contract- to ensure that smooth transition arrangements are in place regarding selection and appointment of contractor.	George Robertson	Dec. 2011	<ul style="list-style-type: none"> Arrangements for appointment of Refuse Contractor in line with plan. <i>Contract awarded to Veolia from 9 May 2011.</i> Consideration of need for contingency provision. <i>Issues well understood and appropriate arrangements are in place to manage any risks during transition.</i> New contract arrangements seen to be working well for the first six months. <i>Position to be reviewed in December 2011.</i> 	AMBER To be carried forward

<p>Ability to respond to new Government requirements to publish information on the Web.</p>	<p>CMT</p>	<p>Ongoing</p>	<ul style="list-style-type: none"> • Open channels of communication via emails / bulletins from government bodies and relevant departments. <i>Good progress made in extending the range of information about the Council easily available on the web.</i> • Prompt communication from Director / Senior Managers on required information. <i>All required information published ahead of Government guidelines.</i> • Put in place monitoring arrangements to review vfm of publishing information and to ensure it meets customer needs. <i>TBA.</i> 	<p>AMBER</p> <p>To be carried forward</p>
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