

Cheltenham Borough Council
Audit Committee – 15 January 2014
Annual Governance Statement 2011-12,
Significant Issues Action Plan
Mid year Review

Accountable member	Councillor Jon Walklett, Cabinet Member Corporate Services
Accountable officer	Mark Sheldon, Director of Resources
Ward(s) affected	None
Key Decision	No
Executive summary	At the Audit committee meeting in June 2013 it approved the Annual Governance Statement (AGS) for 2012/13 and recommended to Council that it be adopted as part of the statement of accounts. The AGS contained a Significant Issues Action Plan and this report identifies progress to improve upon these issues.
Recommendations	To note the progress that has been made against the actions and deadlines set, to consider the issues that remain outstanding and the mitigating action being taken.

Financial implications	There are no financial implications arising from this report. Contact officer: Mark Sheldon – Director of Resources Email: mark.sheldon@cheltenham.gov.uk, 01242 264123
Legal implications	None specific arising from the recommendation. Contact officer: peter.lewis@tewkesbury.gov.uk, 01684 295010
HR implications (including learning and organisational development)	No direct HR implications in this report. Contact officer: Donna Sheffield – HR Business Partner Email: donna.sheffield@cheltenham.gov.uk, 01242 774972
Key risks	None arising from this report
Corporate and community plan Implications	Good governance helps to deliver the Councils aspirations to be an excellent, efficient and sustainable Council.

Environmental and climate change implications	None
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1. Background

- 1.1 The Accounts and Audit (England) Regulations 2011 regulation 4(2) requires council's to conduct an annual review of the effectiveness of its system of internal control, including the arrangements for the management of risk. Following the review the Council must approve an Annual Governance Statement.
- 1.2 The Annual Governance Statement reflects on the outcome of that review and identifies any significant issues arising from it. The Audit Committee recommended in June 2013 the approval of the AGS, noted the content of the Significant Issues Action Plan and asked for deadlines to be attributed to each of the issues with the intention that they be resolved before the end of the current financial year. The Audit Committee also requested that a progress report be brought back for consideration.

2. Progress

- 2.1 The 2012/13 Significant Issues Action Plan (appendix 2) identified 4 issues of concern and these have been monitored and updated by the appropriate officer and reviewed by the Corporate Governance group throughout the year.
- 2.2 The Service Managers have been put in place to Improve Business Continuity testing; the ICT back-up servers have been relocated to Forest of Dean District Council, which has significantly improved our ability to respond to any unplanned event that could affect ICT systems. A series of tests have been planned and successful testing has taken place of the Election Services IT systems both at Forest of Dean District Council and at the Municipal building. Revenue Services and Housing Benefit Systems will be tested next. All Corporate and Service Continuity Plans have been reviewed and refreshed to reflect these new arrangements
- 2.3 Service Managers have indicated that good progress is being made in respect of the issues relating to Safeguarding Children and Vulnerable Adults with new training products being developed and training records being updated, they forecast that the deadline will be met.
- 2.4 There were limited assurance reports issued for key systems within the GO Shared Service. Action Plans to address these weaknesses have been created and progress is being monitored by the Joint Management Liaison Group. Internal Audit will carry out a review before the end of the Financial Year and report back to Audit Committee.
- 2.5 There was an investigation into weaknesses in the control framework in ICT which was reported to Audit Committee. Action Plans to address these weaknesses have been created and progress is being monitored by the Joint Management Liaison Group. Internal Audit will carry out a review before the end of the Financial Year and report back to Audit Committee. They will also take into account the additional recommendations made relating to the PSN CoCo review.
- 2.6 Alternative options considered
- 2.7 None

3. Consultation and feedback

- 3.1 With the relevant Service Managers and the Corporate Governance Group.

4. Performance management – monitoring and review

4.1 There will also be progress reviews undertaken by Internal Audit during 2013/14 to provide additional assurance reports to officers and the Audit Committee.

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Appendices	<ol style="list-style-type: none">1. Risk Template2. Significant Issues Action Plan

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	If any weaknesses identified within the AGS SIAP are not addressed then there is a risk that the Councils resources and assets could be put at risk	Director Resources	02/01/2014	3	2	6	Reduce	Service managers to put in place mitigation for each of issues identified by the agreed deadlines	31/03/2014	Corporate Governance, Risk and Compliance officer	
Explanatory notes											
<p>Impact – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being least impact and 5 being major or critical)</p> <p>Likelihood – how likely is it that the risk will occur on a scale of 1-6 (1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability)</p> <p>Control - Either: Reduce / Accept / Transfer to 3rd party / Close</p>											

