

Cheltenham Borough Council
Audit Committee – 14 January 2015
Annual Governance Statement 2013-14
Significant Issues Action Plan – mid-year review

Accountable member	Cabinet member corporate services, Councillor Jon Walklett
Accountable officer	Director Resources, Mark Sheldon
Ward(s) affected	None
Key Decision	No
Executive summary	At the Audit committee meeting 18 June 2014 it approved the Annual Governance Statement (AGS) for 2013-14 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	None specific arising from the recommendation. Contact officer: Mark Sheldon – Director, Resources Email: mark.sheldon@cheltenham.gov.uk, 01242 264123
Legal implications	None specific arising from the recommendation Contact officer: Peter Lewis Email peter.lewis@tewkesbury.gov.uk, Tel: 01684 295010
HR implications (including learning and organisational development)	The HR implications are as outlined in this report. Contact officer: Carmel Togher Email: carmel.togher@cheltenham.gov.uk, Tel: 01242 77521
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 (AGS) reflects on the outcome of that review and identifies any significant issues arising from it. The Audit Committee recommended in June 2014 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 2013/14 Significant Issues Action Plan (appendix 2) identified 3 issues of concern;
 1. Business Continuity
 2. Safe Guarding Children and Vulnerable Adults –Training records
 3. Car Parking

Progress has been monitored and updated by the appropriate officer and reviewed by the Corporate Governance group.

Businesses Continuity

- 2.2 ICTSS have been putting in place arrangements 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.
- 2.3 A dedicated diesel generator has been procured and installed at the Coleford offices to support the Disaster Recovery/Business Continuity part of the 'ICT Infrastructure Upgrade' programme.
- 2.4 The generator has been commissioned and tested and will provide full redundancy for not only the ICT data centre but the entire Coleford site.
- 2.5 In the event of a power failure there will be an automatic switchover to the generator, triggered by continuous monitoring of the mains powers supply. This solution will complement the dedicated UPS provision already in place for the ICT server room in the Municipal Building.
- 2.6 ICTSS have commissioned a specialised company to deliver a Business Continuity Plan for the ICTSS that will take into account the business needs of our services; this is expected to be completed by January 2014.
- 2.7 A series of tests are being planned, successful testing of the Election Service has already taken place both at Forest of Dean District Council and at the Municipal building. All

Corporate and Service Continuity Plans are being reviewed and refreshed to reflect these new arrangements.

- 2.8** Progress on disaster recovery/business continuity planning for ICTSS is monitored by the Joint Management Liaison Group and the Security Working group.

Safeguarding Children and Vulnerable Adults – Training records

- 2.9** Good progress is being made in respect of identifying the training needs for those involved in the Safeguarding of Children and Vulnerable Adults with new training products being developed and applied.
- 2.10** The manager reports that all employees receive basic safeguarding awareness training via an e-learning module. Managers then review additional safeguarding training needs on a regular basis through the annual appraisal process. In addition, an audit of safeguarding training received by their staff has been sent to all service managers as a prompt for them to review and identify additional training needs. Employees undertaking safeguarding training have to record this in the learning gateway.
- 2.11** Section.11 of the Children Act 2004 places duties on a range of organisations and individuals to ensure their functions – and any services that they contract out to others – are discharged having regard to the need to safeguard and promote the welfare of children.
- 2.12** Between December and January, the council is undertaking a self-assessment to comply with s11 in respect of its safeguarding practices and processes. The result of this will be tabled at the next Corporate Governance Group.

Car Parking

- 2.13** The Corporate Governance Group received a position statement from the service in March 2014 highlighting the work that is being undertaken.
- 2.14** An action plan has been developed to address the issues highlighted in the Internal Audit assurance report, regarding potential control weaknesses identified within car parking services.
- 2.15** The service is now part of the Public Protection team within the Environmental and Regulatory Services division. Its structure and staffing capacity is therefore being further considered as part of the Regulatory and Environmental Services Transformation project (REST). This is being carried out with a focus on the needs of customers and in particular, local businesses.
- 2.16** Council has made budgetary provision for investment in car parking equipment, which should facilitate the upgrading of machines to provide additional real-time monitoring of payment and ticketing information across most CBC car parks. In addition, the service is reviewing the effectiveness of the Automatic Number Plate Recognition (ANPR) system in Regent Arcade car park and the experience of customers through feedback monitoring.
- 2.17** The outcome of the review will be reported to Cabinet in February 2015, with recommendations regarding any further proposed investment, including potential improvements following an access audit undertaken by building control.

3. Alternative options considered

- 3.1** None

4. Consultation and feedback

4.1 With the relevant Service Managers and the Corporate Governance Group.

5. Performance management – monitoring and review

5.1 There will also be progress reviews undertaken by Corporate Governance Group and Internal Audit during 2015 to provide additional assurance reports to officers and the Audit Committee.

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Appendices	<ol style="list-style-type: none">1. Risk Assessment2. 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 Service managers fail to address the Significant Issues Identified in the Annual Governance Statement then the apparent weaknesses may have an impact on the Councils assets and or reputation.	Director of Corporate Resources	18/6/2014	3	2	6	Reduce	Put in place an action plan for service managers to improve internal controls and systems. Monitoring by Corporate Governance Group and Internal Audit.	various	Corporate Governance, Risk and Compliance officer		
<p>Explanatory notes</p> <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>												