

Cheltenham Borough Council
Audit Committee – 20 March 2013

Annual Governance Statement 2011-12,
Significant Issues Action Plan
Review

Accountable member	Councillor Jon Walklett, Cabinet member corporate services.
Accountable officer	Director Resources, Mark Sheldon.
Ward(s) affected	None
Key Decision	No
Executive summary	At the Audit committee meeting in June 2012 it approved the Annual Governance Statement (AGS) for 2011-12 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	Some of the issues raised in the action plan required funding to ensure a resolution to issues e.g. investment in ICT upgrades which was secured in the 2013/14 budget. No other financial implications arise from this report. Contact officer: Mark Sheldon – Director, Resources Email: mark.sheldon@cheltenham.gov.uk, 01242 264123
Legal implications	None arising from this report Contact officer: peter.lewis@teWKesbury.gov.uk, 01684 295010
HR implications (including learning and organisational development)	Relevant HR related issues identified in the action plan have been or are being dealt with by GO Shared Services 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 2012 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. Reasons for recommendations

- 2.1** The 2011/12 Significant Issues Action Plan (appendix 1) identified 7 issues of concern and these have been monitored and updated by the appropriate Service Manager and reviewed by the Corporate Governance group throughout the year.
- 2.2** All but two of the issues are considered to have been addressed by the Service Managers at the time of writing this report; it hoped that by the end of the year one of these will also be resolved.
- 2.3** The one issue that will still be outstanding is in relation to ICT business continuity testing. There are a number of reasons as to why this remains under review including the:-
 - Development of a shared ICT service with Forest of Dean District Council (FoDDC)
 - Development of reciprocal business continuity arrangements with FoDDC
 - The relocation of the back-up server room at the depot to FoDDC
 - Additional investment in infrastructure, software and support resources.
- 2.4** The ICT Manager estimates that the removal and relocation of ICT equipment from CBC to FoDDC and from the CBC depot to FoDDC will be completed by May 2013. The development and testing of ICT business continuity plans will then commence, with the objective of having them completed by June 2013.
- 2.5** These issues are due to be considered by the ICT Scrutiny Task Group meeting on Tuesday 12 March and an update will be provided at this meeting.

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 Internal Audit during 2013/14 to provide additional assurance reports to officers and the Audit Committee.

5.2

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Appendices	1. Significant Issues Action Plan