



OVERVIEW AND SCRUTINY COMMITTEE

Monday 21 June 2010 at 6.30 pm

MEMBERS LOUNGE, RYEDALE HOUSE, MALTON

Agenda

1 Emergency Evacuation Procedure.

The Chairman to inform Members of the Public of the emergency evacuation procedure.

2 Apologies for absence

3 Minutes of the 8 April 2010

(Pages 1 - 6)

4 Urgent Business

To receive notice of any urgent business which the Chairman considers should be dealt with at the meeting as a matter of urgency by virtue of Section 100B(4)(b) of the Local Government Act 1972.

5 Declarations of Interest

Members to indicate whether they will be declaring any interests under the Code of Conduct.

Members making a declaration of interest at a meeting of a Committee or Council are required to disclose the existence and nature of that interest. This requirement is not discharged by merely declaring a personal interest without further explanation.

Overview and Scrutiny Acting as the Audit Committee

6 Annual Governance Statement

(Pages 7 - 22)

- 7 **Statement of Accounts 2009/10 (to follow)**
- 8 **Any other business that the Chairman decides is urgent.**

Overview and Scrutiny Committee

Held at Member's Lounge, Ryedale House, Malton
on Thursday 8 April 2010

Present

Councillors Mrs Shields (Chairman), Cussons (Vice-Chair), Clark, Raper, Mrs Wilford
and Windress

In Attendance

Paul Cresswell and Audrey Adnitt

Minutes

75 **Apologies for absence**

Apologies were received from Councillors Andrews and Cottam.

76 **Minutes**

The minutes of the meeting of the Overview & Scrutiny Committee held on the
18 February 2010 were presented.

Resolved

That the minutes of the meeting of the Overview & Scrutiny Committee
held on the 18 February 2010 be accepted as a correct record.

77 **Urgent Business**

The Chairman reported that it in order to keep the debate timely and concise,
she proposed that Members speak on any item for up to a maximum of ten
minutes, following that, should they wish to respond, the response be limited
to no more than five minutes.

78 **Declarations of Interest**

No declarations of interest were received.

79 **Matters Referred for Decision in Relation to Call-in**

There were no items to support.

80 **Responses from Full Council, Policy & Resources Committee and Community Services Committee to reports of the Overview & Scrutiny Committee**

There were no matters to report.

81 **Presentation from Inspector Tim Hutchinson, North Yorkshire Police**

Inspector Hutchinson from North Yorkshire Police presented an overview of the work done within the service during the last financial year. A copy of his report was distributed to all Members. It had been an excellent year, which had seen reductions in all areas of crime and a total overall crime reduction of 16%.

Close working with partner agencies and shared community priorities were seen as a key contributing factors. Following questions, the Chair thanked Inspector Hutchinson for a comprehensive and informative report.

82 **Review of the Effectiveness of the System of Internal Audit**

The Corporate Director (s151) submitted a report (previously circulated) in order to present the Annual Review of the Effectiveness of the System of Internal Audit from the North Yorkshire Audit Partnership.

The Accounts and Audit Regulations required all Councils to annually review their systems of internal control and to provide an adequate and effective Internal Audit Function. The amendment in SI2006/564 introduced a new requirement to undertake an annual review of the effectiveness of the system of Internal Audit on an annual basis.

In order to reach an assessment of the effectiveness the Partnership had undertaken a survey of the principal recipients of Internal Audit, the Chief Executive, Strategic Directors and Heads of Service.

The report (appended at Annex A), presented the Review of Effectiveness for the period 1 April 2009 to 31 March 2010 from the North Yorkshire Audit Partnership. The report detailed the methodology applied and the results of the work. Members were advised that this process would evolve, as would the opinion from the Council's external auditors who would consider this report as part of their work examining the validity of the Council's Annual Governance Statement.

Overall the report provided an assurance that the internal audit service provided through the Partnership did meet the criteria for an effective system of internal audit.

Resolved

The report for 2009/10 be approved.

83 Internal Audit Terms of Reference

The Corporate Director (s151) submitted a report (previously circulated) in order to present the Terms of Reference for the Audit Partnership in delivering the Internal Audit for Ryedale District Council.

Members were advised that although the last review identified that the Partnership had a well-established and mature relationship with Council, it was noted that there were no formal Terms of Reference in place.

The Terms of Reference (TOR) were appended at Annex A, they set out a number of areas including:

- Responsibilities and Objectives
- Reporting lines and Relationships
- Independence and Accountability

The Terms of Reference clearly defined the working relationship between the Council and North Yorkshire Audit Partnership, and also resolved one of the outstanding matters from the self-assessment undertaken as part of the Accounts and Audit regulation 6, Review of the effectiveness of the system of internal audit.

Resolved

That the Internal Audit Terms of Reference set out in the attached report for 2010/11 be approved.

84 Decisions from other Committees

Lists of Decisions from the following Committees were submitted:

Community Services held on the 25 March 2010
Policy & Resources held on the 1 April 2010

Councillor Mrs Wilford referred to the Community Services decisions and in particular relating to the item on Private Water Supplies. Councillor Mrs Wilford was concerned about a lack of clarity with the advice provided in relation to a Member's Declaration of Interest. The Corporate Director (s151)

advised that he would raise the issue with the Monitoring Officer, and further clarity would be provided before the next meeting of Council in May 2010.

Resolved

That the list of decisions of the Community Services Committee held on the 25 March 2010 and the Policy & Resources Committee held on the 1 April 2010 be received.

85 **Any other business that the Chairman decides is urgent**

There was no urgent business.

86 **Exempt Information**

Resolved

That under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item as there will be a likely disclosure of exempt information as defined in Paragraphs 1 as the information relates to any individual.

87 **Review of Property Maintenance Overspend**

The Corporate Director (s151) submitted a report (previously circulated) in order to present a review of the Property Maintenance Overspend as undertaken by the Council's external Auditors Deloitte. A copy of both Deloitte's report and the report by the North Yorkshire Audit Partnership following an investigation (completed in November 2009) were appended.

The report considered the issues through four categories,

- Adequacy of financial procedures and their application to the Property Maintenance budget.
- Changes to procedures and training
- Monitoring arrangements
- Involvement of Officers and external advisors.

Four recommendations were made in the report, which had been agreed by Officers.

The report was discussed at length and the Chair welcomed Mr Ritchie from Deloitte, who answered questions from the Committee on the report and its findings.

Councillor Clark requested consideration of how the public would be made aware of the outcome of the review due to the exempt nature of the reports. It was agreed that the Corporate Director (s151) would consider this in the minutes.

Consequently the four recommendations from Deloitte, agreed for implementation by the Council are as follows:

- 1 Manual Reports to be generated by the Facilities and Emergency Services Manager to review the level of expenditure against order levels and to assess the validity of multiple orders being raised with the same contractor. Any instances of apparent manipulation of the financial procedures should be reported immediately to the Corporate Director (s151). Enquiries should also be made to ascertain the scope for the new Powersolve Modules to generate these reports automatically from 2010/2011.
- 2 Additional training/guidance is given to all staff involved in raising orders and approving invoices to ensure that they are fully aware of the procedures in place. Training should be given both to new members of staff, as part of the induction process, and existing members of staff through annual reminders and updates.
- 3 The Corporate Director (s151) should issue a formal briefing note to staff involved in the processing and payment of invoices to highlight the importance of ensuring that invoices are only processed after the satisfactory completion of required approvals.
- 4 All Officer and external consultants should be required to disclose any related party transactions. These should be recorded on initial employment with annual reminders for example as part of the year-end close down process. Any disclosures should be reviewed by the Corporate Director (s151) to assess further action required to ensure that potential conflicts of interest have been addressed.

Resolved

That the report be received.

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PART A:	MATTERS DEALT WITH UNDER DELEGATED POWERS
REPORT TO:	OVERVIEW AND SCRUTINY COMMITTEE
DATE:	21 JUNE 2010
REPORT OF THE:	CORPORATE DIRECTOR (s151) PAUL CRESSWELL
TITLE OF REPORT:	ANNUAL GOVERNANCE STATEMENT 2009/2010
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

- 1.1 For Members to critically review and recommend that the Policy & Resources Committee approve the Annual Governance Statement (AGS) as required under The Accounts & Audit (Amendment) (England) Regulations 2006.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that Members recommend approval of the AGS and its associated Action Plan to the Policy & Resources Committee.

3.0 REASON FOR RECOMMENDATIONS

- 3.1 The completion of an AGS and its review by “..the relevant body..” is a mandatory requirement including examination by the “..audit committee...”. The Overview and Scrutiny Committee fulfils this role for Ryedale District Council.

4.0 SIGNIFICANT RISKS

- 4.1 The only significant risk is that a significant internal control issue is included or considered as part of the production of the AGS. This is mitigated through the internal processes used to produce the AGS and critical review by the Overview and Scrutiny Committee.

REPORT

5.0 BACKGROUND AND INTRODUCTION

- 5.1 Good governance is important to all involved in local government. However it is a key responsibility for the Leader of the Council and of the Chief Executive.

- 5.2 The preparation and publication of an annual governance statement in accordance with the CIPFA/SOLACE Framework is necessary to meet the statutory requirement set out in Regulation 4(2) of the Accounts and Audit Regulations 2003, as amended by the Accounts and Audit (Amendment) (England) Regulations 2006 which requires authorities to “conduct a review at least once in a year of the effectiveness of its system of internal control” and to prepare a statement on internal control “in accordance with proper practices”.
- 5.3 With effect from 2007/08, the supplement to the CIPFA/SOLACE Framework defined proper practices for the form and content of a governance statement that meets the requirement to prepare and publish a statement on internal control. There is no requirement to prepare and publish a separate statement on internal control.
- 5.4 CIPFA/SOLACE issued in March 2010 an additional Application Note, which introduces a specific facet to the AGS. It is now expected that the AGS will include a specific statement on whether the Council’s financial management arrangements conform to the governance requirements of the CIPFA “Statement on the Role of the Chief Financial Officer in Local Government”. Furthermore where they do not, to explain why, and how the Council’s arrangements deliver the same impact.
- 5.5 Ryedale Council’s financial management arrangements conform to the governance requirements of the CIPFA “Statement on the Role of the Chief Financial Officer in Local Government”.
- 5.6 The Policy & Resources Committee have adopted the CIPFA framework for producing the AGS. Part of this framework is for the Council’s Overview and Scrutiny Committee to consider the AGS and its content. The document has then to be signed by the Chief Executive and the Leader (or equivalent) of the Council. This emphasises that the document is about all corporate controls and is not confined to financial issues.
- 5.7 The purpose of the AGS is to provide a continuous review of the effectiveness of the organisation’s internal control and risk management systems so as to give assurance on their effectiveness. There is also a need to identify and address weaknesses by the production of an action plan.
- 5.8 At its most effective, the process of preparing the AGS should add value to the corporate governance and internal control framework of the Council.
- 5.9 The External Auditor will be considering the AGS as part of his auditing of the Statement of Financial Accounts. The Auditor is required to issue his opinion on the accounts and sign them off. Any matters arising from the audit work of the External Auditor will be brought to the attention of this Committee in due course.
- 5.10 The AGS is attached at annex A.

6.0 POLICY CONTEXT

- 6.1 The production of the AGS is a mandatory requirement embodied in the Accounts and Audit (Amendment) (England) Regulations 2006.

7.0 CONSULTATION

- 7.1 Officer consultation has taken place and involved Corporate and Senior Management teams.

8.0 REPORT DETAILS

- 8.1 The Corporate Management Team together with other appropriate senior officers have reviewed the Council's controls in detail. Also comments, evidence and feedback from a number of internal and external sources have been reviewed in the compilation of the AGS.
- 8.2 The next steps are for this Committee to critically review the AGS and recommend its adoption by the Policy and Resources Committee prior to obtaining an opinion on its robustness from the external auditors.
- 8.3 The AGS should not be seen as a task at a particular point in time. Therefore, for the process to add value to the Council, assurances on the effectiveness of controls over key risks should be obtained throughout the year. This allows remedial action to take place at the earliest opportunity, thereby improving the internal control framework. This is achieved by regular monitoring by this Committee.

9.0 IMPLICATIONS

- 9.1 The following implications have been identified:
- a) Financial
There are no financial implications in considering this report.
 - b) Legal
This report complies with the requirements of the Accounts & Audit Regulations.
 - c) Other
There are no other implications in considering this report.

Paul Cresswell Corporate Director (s151)

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Background Papers:

CIPFA – Annual Governance Statement in Local Government – meeting the requirements of the Accounts and Audit (Amendment) (England) Regulations 2006 The 'rough guide'
CIPFA Finance Advisory Network ~ AGS 'Rough Guide' for practitioners.
CIPFA/Solace Application Note to Delivering Good Governance in Local Government: a Framework. (March 2010)
CIPFA Statement on the Role of the Chief Financial Officer in Local Government

Background Papers are available for inspection at:

Internal Audit (North Yorkshire Audit Partnership) offices ~ Ryedale House
Contact ~ James Ingham

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ANNUAL GOVERNANCE STATEMENT 2009/10

1. Scope of Responsibility

The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is also responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

2. The Purpose of the Governance Framework

Corporate Governance is the system by which local authorities direct and control their functions and relate to their communities. The framework for corporate governance recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) identifies three underlying principles of good governance, namely:

- Openness and Inclusivity
- Integrity
- Accountability

The principles of corporate governance should be embedded into the culture of each local authority. Furthermore each local authority has to be able to demonstrate that it is complying with these principles. To achieve this, the framework document recommends that all local authorities should develop a local code of corporate governance, comprising the following elements:

- Community Focus
- Service Delivery Arrangements
- Structures and Processes
- Risk Management and Internal Control
- Standards of Conduct

The Council has formally adopted a local code of corporate governance, consequently the principles and standards contained in the framework document are recognised as good working practice, and hence are supported and followed. To this end both Officers and Members have had externally provided training to ensure governance arrangements are understood and embedded. This Statement forms part of the overall process within the Council for monitoring and reporting on the adequacy and effectiveness of the corporate governance arrangements, particularly those in respect of risk management and internal control.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can

therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on a continuous process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. This has been in place within the Council for the year ended 31 March 2010 and up to the date of approval of the Statement of Accounts.

3. **The Governance Framework**

The requirement to have a governance framework, incorporating a sound system of internal control covers all of the Council's activities. The internal control environment within the Council consists of a number of different key elements, which taken together contribute to the overall corporate governance framework. The key elements of internal control within the Council consist of

Policies and Guidance:

Specific policies and written guidance exist to support the corporate governance arrangements and include:

- The Council's Constitution, including Financial Regulations, Procurement Regulations and Contract Standing Orders
- Codes of Conduct for Members and Officers
- The Corporate Plan
- Financial Strategy
- Member and Officer Schemes of delegation
- Registers of interests, gifts and hospitality
- Corporate policies, for example those relating to Whistleblowing and Counter Fraud and Corruption
- Risk Management Strategy
- Council Procurement Strategy

Political and Managerial Structures and Processes

The Council is responsible for agreeing overall policies and setting the budget. The Policy and Resources Committee and Community Services Committee (Commissioning Board in 2010/2011) are responsible for decision making within the policy and budget framework set by the Council. The Council's Corporate Management Team has responsibility for implementing Council's policies and decisions, providing advice to Members and for co-ordinating the use of resources. The Corporate Management Team meet regularly and the Committees not less than 5 times per annum. Both the Committees and the Corporate Management Team monitor and review Council activity to ensure corporate compliance with governance, legal and financial requirements. In addition, the Council has scrutiny arrangements, through the Overview and Scrutiny Committee that include the review of policies, budgets and

service delivery to ensure that they remain appropriate. This Committee is also formally designated as the Council's Audit Committee. A forward plan detailing the main work of Committees over the next year has been devised to ensure decisions are taken in a timely manner. Urgent items will be debated as appropriate.

The Council has developed a process that is intended to reflect political and community objectives as expressed in the Community Strategy ("Imagine Ryedale") and acts as a basis for corporate prioritisation. The process has identified the Council's corporate aims together with a number of associated objectives. These will be reviewed at appropriate intervals to ensure that they continue to meet the needs of the community. The Council has linked the performance management process across all service areas to provide an integrated performance management system. Each service has developed a performance improvement plan as part of their Service Delivery Plan showing how that service will work to achieve the Council's objectives.

Financial Management

The Corporate Director (S151 Officer) has the overall statutory responsibility for the proper administration of the Council's financial affairs, including making arrangements for appropriate systems of financial control. The Council operates within a system of financial regulations, comprehensive budgetary control, regular management information, administrative procedures (including the segregation of duties) and management supervision.

The Corporate Director (S151 Officer) is a member of the Council's Corporate Management Team, and is directly responsible to the Chief Executive. As such the Council is compliant with the requirements of the 2010 CIPFA/SOLACE Application Note to Delivering Good Governance, which has set out additional matters relating to 'proper practice' in the compilation of the AGS.

Compliance Arrangements

Monitoring and review of the Council's activities is undertaken by a number of Officers and external regulators to ensure compliance with relevant policies, procedures, laws and regulations. They include:

- The Chief Executive Officer
- The Corporate Director (s151) who is the S151 Officer of the Council
- The Monitoring Officer
- The District Auditor and various other external inspection agencies
- The Internal Audit Manager (North Yorkshire Audit Partnership)
- Finance Officers and other relevant service managers

Value For Money

Through reviews by external auditors, external agencies, internal audit, the Performance team, and the Financial Services Manager the Council constantly seeks ways of ensuring the economic, effective and efficient use of resources, and securing continuous improvement in the way in which its functions are exercised.

Risk Management

The Council has adopted a formal system of Risk Management. This is effectively delivered through widespread use of Covalent, the Council's Performance and Risk Management software. The process serves to ensure that:

- The Council identifies, prioritises and takes appropriate mitigation for those risks it identifies as potentially preventing achievement of the Corporate and Community Plan
- The Council's assets are adequately protected
- Losses resulting from hazards and claims against the Council are mitigated through the effective use of risk control measures
- Managers are adequately supported in the discharge of their responsibilities in respect of Risk Management

The system of Risk Management requires the inclusion of risk evaluation assessments in all Committee reports and the maintenance of a corporate risk register. Relevant staff within the Council have received training and guidance in Risk Management principles.

Internal Audit & Fraud

The Council operates internal audit and internal (non Housing Benefit) fraud investigation functions through the North Yorkshire Audit Partnership (NYAP) in accordance with the Accounts and Audit Regulations 2003. The Partnership works to the CIPFA Code of Practice for Internal Audit in Local Government. It undertakes an annual programme of review covering financial and operational systems designed to give assurance to Members and managers on the effectiveness of the control environment operating within the Council. It also is complementary to and gives support to the external auditors (Deloitte for 2009/10). In addition the Partnership provides assurance to the Corporate Director (s151) as the Council's section 151 Officer in discharging his statutory review and reporting responsibilities. The Council also, as part of the Accounts and Audit Regulations (Reg 6), undertakes an annual review of the effectiveness of its system of internal audit, which is reported to the Overview & Scrutiny Committee.

The Partnership also has an advisory role that provides:

- Advice and assistance to managers in the design, implementation and operation of controls
- Support to managers in the prevention and detection of fraud, corruption and other irregularities

NYAP have been advised on the implications of the results of the review of the effectiveness of the system of internal control by the Overview & Scrutiny Committee,

and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Housing Benefit Counter Fraud work is undertaken within the Benefits Office through contractual arrangements with Veritau which is the North Yorkshire County Council/City of York Council company providing audit & investigation services. A proactive approach is taken to supplement referrals, both internal and external, with any leads arising from participation in the National Fraud Initiative, the Housing Benefits Matching Service, and internal data matching.

Performance Management

The Council has improved its performance management arrangements. The Chief Executive has overall responsibility for the function and the Corporate Management Team retains its monitoring role. Managers are expected to deliver improvements or maintain performance standards where appropriate. The Covalent performance management system has become further embedded within the Council during the year.

4. REVIEW OF EFFECTIVENESS

The Council has responsibility for conducting, at least annually, a review of the effectiveness of its systems of internal control. In preparing this Statement a review of corporate governance arrangements and the effectiveness of the Council's systems of internal control has been undertaken, by the Corporate Management Team. This review has included consideration of:

- Reports received from the Audit Commission and other inspection agencies
- The results of internal audit and fraud investigation work
- The views of senior managers, including Chief Executive the S151 Officer and the Monitoring Officer
- Outcomes of service improvement reviews and performance management processes

In addition, the Council through its Committees especially the Overview and Scrutiny Committee considers corporate governance issues as they arise throughout the year and agree recommendations for improvement as necessary.

A comprehensive review has been undertaken to support the preparation of this AGS document as required by the Accounts and Audit Regulations 2003. The Council has produced a detailed statement along with a targeted action plan to ensure that full compliance is achieved. This has followed the best practice framework suggested by CIPFA and adopted by the Council. An action plan schedule has been produced to ensure compliance and a list of those Officers having responsibility is available.

An Action Plan is appended which identifies and notes progress with previous year's matters of concern, and includes those arising from this year's review. The Annual Governance Statement for 2010/11 will provide details of the work completed against this Plan. This plan will be reviewed during 2010/2011 by the Overview and Scrutiny Committee.

5. **SIGNIFICANT INTERNAL CONTROL ISSUES**

A review of the internal control arrangements in place within the Council has identified areas where improvements could be made. Specific actions are proposed to address the issues identified. Attached is the action plan for 2009/2010 incorporating those issues brought forward from the previous plan, which are still outstanding.

The Council will continue to seek to improve performance and take action on agreed recommendations by both internal and external agencies.

Signed: Dated:
Janet Waggott
Chief Executive

Signed: Dated:
Cllr Keith Knaggs
Leader of the Council.

**ANNUAL GOVERNANCE STATEMENT 2009/10
ACTION PLAN for implementation in 2010/11**

STATUS	CONTROL ISSUE	ACTION PROPOSED	RESPONSIBILITY	TARGET DATE	CURRENT POSITION & COMMENTS
Brought Forward From 2007/2008 Action Plan	<u>Code of Conduct</u> A Code of Conduct for Members has been adopted and signed by all Members as a condition of office. A Code of Conduct for Officers is required.	Code of Conduct for Officers to be introduced following publication of the national code. Further report to be considered by Overview and scrutiny on 2 July to consider this issue.	Monitoring Officer	1/10/08 to be revised at 2/7/09 meeting of committee.	National Code for members now published, but National Code for Officers still outstanding. The current Officer code (RDC) is accessible on the Intranet and was revised in Oct 2005. Due to uncertainty a bespoke RDC version is required and will be drafted. <i>Oct 2009 ~ it is anticipated that a draft code of conduct for Officers will be presented to P&R committee in Dec 2009.</i> <i>Feb 2010: ~ This has been deferred and a revised target date is 30/6/2010</i> <i>June 2010 ~ completed</i>
Brought Forward From 2007/2008 Action Plan	<u>Partnerships</u> The Council will need to establish sound governance arrangements for its significant partnerships.	Identify significant partnerships and establish appropriate governance arrangements relevant to each. Partnership Governance protocol to be considered by Overview and Scrutiny Committee on 6 August 2009	Head of Transformation	31/12/08 Protocol 6/8/09 Review ongoing thereafter	The Use of Resources assessment requires Governance arrangements to be reviewed. Outcome will be reported to Overview and Scrutiny. <i>Oct 2009 ~ Completed</i>

ANNUAL GOVERNANCE STATEMENT 2009/10
ACTION PLAN for implementation in 2010/11

STATUS	CONTROL ISSUE	ACTION PROPOSED	RESPONSIBILITY	TARGET DATE	CURRENT POSITION & COMMENTS
Brought Forward From 2008/2009 Action Plan	<p><u>Asset Management</u> The Audit Commission KIoE for UoR Action Plan 2008 notes that the Council' approach to Asset Management did not reach level 3 assessment. (Level 3 requires that the council maintains an effective asset register.).</p>	That the software bought to assist with asset management be installed and commissioned as a priority.	Head of Resources	Fully functional by 31/12/09	<p>Progress is being made towards populating the estates management system. <i>Oct 2009 ~ the locally designed spreadsheet to manage assets is said to be operational.</i> <i>The estates management software (a module of Uniform) has not been populated, and the date for that to be complete is suggested to be 30/6/2010.</i> <i>Feb 2010 ~ work continues to achieve this target date.</i> <i>June 2010 ~ Due to extreme difficulties populating Uniform this format has not been used to store property management information. A bespoke spreadsheet has been developed internally in liaison with internal audit and information is currently being installed. The completion date has been put back to 30 September.</i></p>
Brought Forward From 2008/09	<p>There are some significant weaknesses in budgetary management. (Identified through good budgetary control framework.)</p>	Review is being undertaken of the specific budget areas, with remedial action as necessary	Corporate Director (S151) Head of Environmental Services	To be completed by 30/9/2009	<p>Review part complete <i>Feb 2010 ~ work continues</i> <i>June 2010 ~ complete</i></p>

ANNUAL GOVERNANCE STATEMENT 2009/10
ACTION PLAN for implementation in 2010/11

STATUS	CONTROL ISSUE	ACTION PROPOSED	RESPONSIBILITY	TARGET DATE	CURRENT POSITION & COMMENTS
Brought Forward From 2008/09	There are some weaknesses in the tendering process for maintenance and small capital projects.	Review is being undertaken of the specific contracting areas, with remedial action as necessary	Corporate Director (S151) Head of Environmental Services	To be completed by 30/9/2009	Review part complete <i>Feb 2010 ~ work continues</i> <i>June 2010 ~ complete</i>
Brought Forward From 2008/09	The role and responsibilities of member champions are not established within the Council	Review to be undertaken setting out necessary information for member champions and officer leads.	Head of Transformation	To be completed by 30/9/2009	<i>Oct 2009 ~ Generic Job Descriptions in place.</i> <i>Following review by Heads of Service, the role of each member champion is being developed. These expect to be finalised by March 2010.</i> <i>Feb 2010 ~ work continues to achieve this target date.</i> <i>June 2010 ~ All lead officers now liaising regularly with their respective member champions as appropriate to the area being championed. New member champions appointed at full council in May 2010. Job Description and list of lead officers to be circulated to all member champions. Lead officers making contact with their champions directly.</i>
Brought Forward From 2008/09	There have been significant changes to the constitution in 2008/2009 and further member and officer training is required.	Training and member briefing to take place. Ongoing training as further changes are made.	Chief Executive Monitoring Officer	To be completed by 30/9/2009	<i>Oct 2009 ~ member briefing on the role of O&S ctte has taken place.</i> <i>The Council has embarked on a series of Leadership training</i>

ANNUAL GOVERNANCE STATEMENT 2009/10
ACTION PLAN for implementation in 2010/11

STATUS	CONTROL ISSUE	ACTION PROPOSED	RESPONSIBILITY	TARGET DATE	CURRENT POSITION & COMMENTS
					<p><i>modules for the service unit managers, and Heads of Service, which should lead to a better understanding of the Constitution.</i></p> <p><i>Human Resources team are planning a series of training sessions for this group to cover core issues and skills around the basic operation of the council, including Risk management; Procurement, and these should link into the Constitution.</i></p> <p><i>Feb 2010 ~ work continues and training sessions have been arranged and delivered to achieve this target date.</i></p> <p><i>June 2010 ~ complete</i></p>
Brought Forward From 2008/09	Whilst member training is provided a more structured programme is required	Member training Plan to be agreed	Head of Organisational Development	To be completed by 30/9/2009	<p><i>Plan in outline produced Oct 2009 ~ details are being consolidated, 1st meeting to discuss the programme has been held; 2nd to be held shortly, linking to use of the Charter Mark, and developing use of Covalent.</i></p> <p><i>Feb 2010 ~ largely completed, including application in Covalent; Practical rollout should commence 1/4/2010</i></p> <p><i>June 2010 ~ complete</i></p>

ANNUAL GOVERNANCE STATEMENT 2009/10
ACTION PLAN for implementation in 2010/11

STATUS	CONTROL ISSUE	ACTION PROPOSED	RESPONSIBILITY	TARGET DATE	CURRENT POSITION & COMMENTS
Brought Forward From 2008/09	The Council has a good record of achieving value for money, however more work is required to review high value services and high comparative cost services	Value for Money strategy to be taken to Policy and resources committee establishing a series of prioritised reviews	Corporate Director (s151)	Strategy by 31/7/09 reviews ongoing	Strategy to be considered by Policy Committee on 25 June 2009 <i>Feb 2010 ~ work continues</i> <i>June 2010 ~ complete</i>
Brought Forward From 2008/09	Corporate Business Continuity Plan (BCP) requires testing for resilience and further may be training required.	Use consultancy days from our insurers and specialist to ensure the plan is fit for purpose and appropriate staff have currency of knowledge.	Corporate Director (s151)	To be completed by 31/12/2009	<i>Feb 2010 ~ Obtaining advice and assistance from NYCC to finalise and test BCP.</i> <i>June 2010 ~ NYCC supplied with Council current situation awaiting feedback.</i>
New 2009/2010	Risk of compromise and weaknesses in operational systems as a consequence of reduced staffing over forthcoming years through downsizing as Government funding cuts made.	Where changes in staffing occur, that changes in operating arrangements are reviewed prior to reducing the controls. Internal audit are included in working groups reviewing operating systems and arrangements, including commissioning, partnership arrangements etc.	Corporate Director (s151) All Heads of Service	Continuing	
New 2009/2010	There are significant changes to IT systems supporting services planned over the forthcoming year and beyond. There is the risk that system controls will be compromised during this period.	All projects are run using established project management methodology. Internal audit will be involved in working groups as appropriate. System specifications ensure appropriate controls.	Corporate Director (s151) as chair of ICT Programme Board.	Continuing	

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