

ANNUAL GOVERNANCE STATEMENT – ACTION PLAN

For the year 1st April 2008 to 31st March 2009

Governance and Control Issues Identified

Council Members and Officers have been continually updated and advised on the implications of reviews of the effectiveness of the Council's systems of internal control. Plans have been devised and put in place to ensure continuous improvement. The Council's annual review of the governance framework, including the system of internal controls and associated reviews during the year, identified some areas where action is appropriate to enhance the governance and internal control environment and ensure continuous improvement. These are listed below, along with the proposed actions to remedy or improve the position.

Area for Improvement	Suggested Action	Officer Resp.
<p>Disaster Recovery Plans and Business Continuity Planning is not adequate to protect the Council or its assets.</p>	<p>The Head of ICT has supplied an up-to-date position statement (as at 24/8/09)</p> <p>The DR process is still tenable for all the identified core systems. The tape recovery process has been used a number of times in the last 6 months to recover files that have been inadvertently erased and also to build a new Exchange server for email.</p> <p>With the increasing amount of data stored by the Council the back-up "window" had extended into live operation times and remedial action was taken to alter the back-up methods to compensate.</p> <p>Work began in July to completely redesign the DR and back-up systems to make everything faster, easier to use, and more reliable. This involves using the new links to Honiton Business Centre for data transfer and setting up equipment that more closely replicates the systems at the Knowle.</p> <p>This is now in process aiming for a test no later than March 2010.</p>	<p>CP</p>
<p>The Council's Corporate Risk Management System is not up to date and does not adequately identify and manage corporate risk. The corporate risk register has not been formally updated and reported to the Audit & Governance Committee since March 2008.</p>	<p>Good progress has been made in populating the new corporate risk register, the council's CRM Policy, Strategy and Toolkit have all been updated and the Council has offered refresher training to both Council staff and Council Members. The Corporate Risk Management Group is keeping the exercise focused and on track.</p>	<p>DP</p>

Area for Improvement	Suggested Action	Officer Resp.
<p>The Council's Internal Audit Service has suffered from a lack of resources and does not have adequate resources to monitor the governance arrangements of the council</p>	<p>The Council has conducted a 2-stage tendering exercise to select a contractor to undertake part of the internal audit work plan. Seventeen potential candidates responded to the initial advertisement, 12 potential candidates responded with Expressions of Interest and 9 were invited to submit a tender. The Tenders were evaluated in November by a small sub-group set up by the Audit & Governance Committee and two successful tenderers have been selected.</p>	<p>DP</p>
<p>There is a need to review Health and Safety compliance throughout Street Scene services.</p>	<p>The review of Health and Safety compliance has commenced and has been included in the service objectives and in PER's for this year.</p> <p>These duties were part of the Performance Officer post (now deleted) and existing staff have been tasked to find the capacity to move this forward at the expense of other works.</p> <p>Currently a Health and Safety procedures document is being produced. Once the various legislative requirements have been updated the associated procedures will be implemented and current documentation updated. This work will be built into the ongoing work-load of the department and will be on-going.</p>	<p>MR</p>
<p>Failure to develop Flood Alleviation and Coast Protection Strategy</p> <p>The Strategy links to both national and regional plans and would draw down funding for protection schemes. Due to lack of resources in Street Scene, (Engineering) the capacity of the staff to deal with these issues is limited.</p>	<p>The post of Principal Engineer is currently on hold pending the outcome of local government review and service transformation.</p> <p>This has serious work capacity issues in the delivery of Engineering services in particularly those associated with Land Drainage, Flood Alleviation and Coastal Defence works. Failure to fill this post will mean the work will need to be prioritised with some work areas not being carried out.</p> <p>The Head of Street Scene was asked for an update – his response was that the situation has not changed.</p>	<p>KH</p>

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<p>LED Budgets – Planned Maintenance budgets affected by the shortfall in revenue received from LED (mismatch identified between work undertaken and amount of money received from LED – problem compounded as figures have been entered into the signed contract). Continuing to provide a service to LED will mean other maintenance work will remain outstanding.</p>	<p>Asset Management Forum will be reporting to the Asset Management Group to resolve some of the contractual issues on maintenance for LED .</p>	<p>KH/DB Update awaited</p>
<p>A programme of data quality checking was carried out by Internal audit during 2009 which found most NIs were either incorrect or needed remedial action. The NIs requiring internal audit recommendations were NI 156 – Housing NI 182 – Environmental Health / Licensing NI 185a/b CO² Emissions NI 194a/b Air Quality NI 196 – Street Scene</p>	<p>The Audit & Governance Committee on 29th September 2009 resolved to support the recommendations made to Heads of Service in a recently published Internal audit report to improve the quality of data in published performance indicators.</p>	<p>SMT</p>

Area for Improvement	Suggested Action	Officer Resp.
<p>An audit in 2007/08 highlighted the areas of weakness with regards the Council's Licensing functions, in that there are two which do not operate consistently or use the same computer system. Internal Audit recommended that the two Licensing functions be amalgamated, and this recommendation appeared on the 2008/09 Governance Action Plan but has not been implemented. The issues highlighted in the review of NI 182 are likely to have been exacerbated by the inconsistent methodologies and systems.</p>	<p>The majority of the licensing roles planned to be transferred to the Licensing Service have now been transferred. There remain a few licence types still to be considered. These are less numerous in terms of the number of licences/registrations and will be transferred over the next two months or by the end of 2009.</p> <p>It should be noted that the Environmental Health Service will retain camp site licensing, caravan and camp site registration, approved food premises registration, houses in multiple occupancy licensing, food premises notification, cooling tower notification and environmental permitting registration/authorisation.</p>	SMT