

# ANNUAL GOVERNANCE STATEMENT 2010/11

## 1. SCOPE OF RESPONSIBILITY

Bath & North East Somerset 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 its services are delivered in terms of economy, efficiency and effectiveness in order to demonstrate 'Best Value'.

In meeting its responsibilities, the Council must ensure that there is a sound system of internal control which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk. The Council's system of internal control is designed to manage risk to a reasonable level rather than eliminate the risk of failure to achieve organisational objectives. Therefore the Annual Governance Statement only provides reasonable assurance around effectiveness.

The Council has adopted a Code of Corporate Governance, which is consistent with the principles and reflects the requirements of the CIPFA/SOLACE framework 'Delivering Good Governance in Local Government'. A copy of the Code is accessible through the Council's website at [www.bathnes.gov.uk](http://www.bathnes.gov.uk) or can be obtained from the Head of Risk & Assurance, Guildhall, High Street, Bath BA1 5AW.

This Statement explains how the Council has complied with the Code and also meets the requirements of regulation 4[2] of the Accounts and Audit Regulations 2003 as amended by the Accounts and Audit [Amendment] [England] Regulations 2006 in relation to the publication of a statement on internal control.

## 2. THE PURPOSE OF THE GOVERNANCE FRAMEWORK

Our definition of Corporate Governance is –

'Ensuring the organisation is doing the right things, in the right way, for the right people, in an open, honest, inclusive and timely manner'

This definition is underpinned by our internal values of Integrity, Making a Difference and Innovation. The purpose of the governance framework is to allow the Authority to -

- Focus on the outcomes for the area and its community and create a vision for the local area which it can play a leadership role in helping to implement;
- Engage with local people and its other stakeholders to ensure robust public accountability;
- Foster a leadership community that sees Members and Officers working together to achieve a common purpose with clearly defined roles and responsibilities;
- Promote values and behaviours for the Authority that will demonstrate how it will uphold good governance and high standards of conduct;
- Take informed and transparent decisions which manage risk and opportunity and are subject to effective scrutiny;
- Develop the capacity and capability of its Members and Officers to be effective and innovative

The governance framework has been in place at B&NES Council for the year ended 31 March 2011 and up to the date of approval of the Statement of Accounts.

### 3. THE GOVERNANCE FRAMEWORK

The key elements of the systems and processes that comprise the Council's governance framework are described below. Further details in relation to each element can be viewed through the Council's website <http://www.bathnes.gov.uk> or can be requested from the Council, e- mail: [councilconnect@bathnes.gov.uk](mailto:councilconnect@bathnes.gov.uk)

**a) Sustainable Community Strategy** – The Sustainable Community Strategy 2009 – 2026 has been created by the Local Strategic Partnership (LSP) to provide a framework for the long-term economic, social and environmental wellbeing of the area as a whole. It contains six drivers for change: –

- Climate Change
- Demographic Change
- Growth
- Inequalities
- Locality
- The economy

The strategy provides a starting point for the Council and it's partners in building a better place to live and work and a direction for the future. It will be regularly reviewed to ensure it is up to date by reflecting what is currently happening in the area.

**b) Corporate Plan** – The Corporate Plan was adopted in 2008 at full Council and was refreshed in February 2010 and 2011. The Plan represents the Council's high level strategic plan and encapsulates the activity that will contribute to the achievement of the Sustainable Community Strategy and the Local Area Agreement. The plan is divided in terms of :–

- A Story of Place – Community, Economic and Environmental issues affecting the district.
- Our Vision – A distinctive place, with vibrant communities and where everyone fulfils their potential.
- Our Priorities – Improving Transport and the public realm; Building communities where people feel safe and secure; Addressing the causes and effects of climate change; Improving the availability of affordable housing; Promoting the independence of older people; Improving the life chances of disadvantaged children and young people; Improving school buildings; Sustainable growth.
- Value for Money, Resources and Delivery – explains how the plan will be implemented effectively using its limited resources, working closely with external partners and implementing the organisational change programme designed to help enable the Council achieve its objectives.

**c) Council Constitution** – The Council Constitution sets out how the Council operates, how decisions are made, and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. Each agenda for a Council or business meeting contains an item requiring members at the outset of the meeting to declare any relevant interests. The agendas and minutes of all the public meetings of the Council and its Committees are available on our website. The Constitution is formally reviewed each year at the Annual Council meeting.

**d) Council Structure** – The Council operates under a Leader and Cabinet structure with Cabinet Members responsible for individual portfolios. Portfolios before the May 2011 elections were:-

- Leader of the Council
- Resources and Deputy Leader
- Adult Social Services and Housing
- Development and Major Projects
- Customer Services
- Children’s Services
- The Council as Corporate Trustee

The Cabinet can only make decisions which are in line with the Council’s overall Policy and Budget Framework. If it wishes to make a decision which is contrary to the Policy and Budget Framework, it must be referred to the full Council to decide. The Cabinet collectively make recommendations to the Council about the policy framework and take decisions that ensure services are provided within the framework. Full Council will decide whether to allocate decision making responsibilities to individual members of the Cabinet. If the Council decides to allocate these powers, it will also determine the scope of those powers and the range of service responsibilities allocated to each Cabinet Member. For most “key” decisions made by the Cabinet, by Cabinet Members or by Officers, the Council is required to publish in advance information about: (a) the matter to be decided; (b) who will be making the decision, and (c) the date or timescale for the decision and the place where the decision will be made. Most day to day service decisions are taken by Council Officers. The Council appoints committees with power to carry out non-executive and other functions (e.g. planning and licensing where there is a statutory requirement for the Council to maintain committees). Non-executive functions are those which the Cabinet does not have the power to carry out.

**e) Overview & Scrutiny** – The activity of the Cabinet is monitored by Overview & Scrutiny Panels. Overview & Scrutiny is the name given to the system of checks and balances implemented by the rest of the Council as they monitor the activity of the Cabinet and also assist them in developing policy. Up to May 2011 the following Overview & Scrutiny Panels have been in place:

- Children & Young People
- Corporate Performance & Resources
- Enterprise & Economic Development
- Healthier Communities & Older People
- Safer & Stronger Communities

**f) Standards Committee** – The Standards Committee is made up of three Councillors, three independent people and three Parish Councillors. The roles and responsibilities of the Committee include:

- Promoting and maintaining high standards of conduct by councillors, co-opted members and church and parent representatives on school governing bodies.
- Assisting the councillors, co-opted members and church and parent representatives on school governing bodies to observe the Members’ Code of Conduct;
- To recommend to the Council one or more Codes of Conduct and Practice or protocols for members and/or employees of the Council.

To deal with Parish issues a Sub-Committee has been appointed.

**g) Corporate Audit Committee** – The Corporate Audit Committee is made up of seven Councillors and one independent member. The Council has delegated to this Committee responsibilities including:

- To approve on behalf of the Council its Annual Accounts, as prepared in accordance with the statutory requirements and guidance.
- To approve the External Auditors' Audit Plan and to monitor its delivery and effectiveness during the year.
- To approve the Internal Audit Plan within the budget agreed by the Council and to monitor its delivery and effectiveness (including the implementation of audit recommendations).
- To consider, prior to signature by the Leader of the Council and Chief Executive, the Annual Governance Statement.
- To review periodically the Council's risk management arrangements, make recommendations and monitor progress on improvements.
- To review periodically the Council's key financial governance procedures.
- To monitor and promote good corporate governance within the Council and in its dealings with partner bodies and contractors, including review of the Council's Code of Corporate Governance.
- To consider the Annual Audit & Inspection Letter from the External Auditor

**h) Head of Paid Service** – The Chief Executive is designated Head of Paid Service and has overall corporate management and operational responsibility (including overall management responsibility for and authority over all officers). He provides professional advice to all parties in the decision making process; and, together with the Monitoring Officer, is responsible for the system of record keeping for all Council's decisions. He represents the Council on partnership and external bodies as required by statute or by the Council.

**i) Monitoring Officer** – The Council Solicitor is designated as Monitoring Officer with responsibility for ensuring compliance with established policies, procedures, laws and regulations, and reporting any actual or potential breaches of the law or maladministration to the full Council and/or to the Cabinet.

**j) Chief Finance Officer** – The Strategic Director of Resources & Support Services was designated as Chief Finance Officer in accordance with Section 151 of the Local Government Act 1972 until the Annual Council meeting on 13<sup>th</sup> May 2010 when the role was transferred to the Divisional Director Finance. He has responsibility for establishing sound financial management within the Council and ensuring adherence to the Council's own financial standards and rules including the Budget Management Scheme (November 2007), Financial Regulations (May 2002) and Contract Standing Orders (November 2007). The Council has put in place a Financial Plan to support the aims of the Corporate Plan and a system of regular reporting of its financial position and performance during the year.

**k) Code of Corporate Governance** – In May 2008 the Council approved a 'local' Code of Corporate Governance. The 'local' Code sets out the Council's definition of corporate governance, the Values it stands for and the Key Principles of Corporate Governance that it has adopted.

**l) Anti Fraud and Corruption Arrangements** – The Council has an Anti-Fraud and Corruption Policy that demonstrates its commitment to tackling fraud and corruption whether within or external to the Council. It details:

- The key principles of the policy;
- The roles and responsibilities of Members and Officers;
- Investigation procedures to be followed in a suspected case of fraud.

The Council's Whistleblowing Policy is a component of the Anti Fraud & Corruption Policy.

**m) Corporate Complaints System** – The Council has a Corporate Complaints Policy and Procedure which describes how complaints can be made and how the Council will monitor complaints and use that information to improve services and identify training needs. The Council has adopted a two stage approach to ensure that if the complainant is dissatisfied with the Stage 1 response they can have the complaint investigation reviewed again. This review is carried out internally by officers independent of the service area to which the complaint was received. If the complainant is still dissatisfied they can request that their complaint is examined by the Local Government Ombudsman.

**n) Stakeholder Communication** – In 2008, the Council established a Communications Strategy (2008 – 2011) to engage with citizens and the Community. Four main methods are used to communicate the Council's objectives and achievements to citizens and service users:

- **'Your Local Council Spending & Council Tax Guide'** including an A-Z of Council Services is sent to all Bath & North East Somerset Council households. As well as providing statutory information relating to the Council Tax and budget setting process it provides full detail of the Council's Vision & Priorities and a review of progress in achieving them.
- **The Council Website**, which is updated daily, and provides information about the Council & online access to services;
- **The 'Inform' newsletter**, which is sent weekly via email to all subscribers providing detailed news stories;
- **'Council News'** is produced quarterly and sent to all households within Bath & North East Somerset.

The Council also undertakes consultation exercises with stakeholders, through either one off consultations on specific subjects, or through the Voicebox satisfaction surveys which are carried out twice a year.

**o) Partnership Governance** – Partnerships are a key component for service provision. The Council's key partnerships are:-

- **The Local Strategic Partnership (LSP)** - It is made up of public services such as the Council, the Avon & Somerset Police, the NHS Bath and North East Somerset and Somer Housing Group - as well as voluntary, community, and business sector representatives. The prime function of local strategic partnerships is to produce a "community strategy", a plan for working together to improve the quality of life in local communities. The partnership has clearly documented governance arrangements that are available from the LSP website.
- **NHS Bath & North East Somerset (PCT)** - Whilst each organisation retains accountability for their particular functions, partnership arrangements enable a joint approach to prioritising resources and service provision. In 2007/08 a Partnership Board for Health and Wellbeing was established. Membership of the Board comprises the Leader of the Council, the Chair of the PCT, Council Officers, PCT officers, non executive PCT Board Members and two Council Cabinet Members. The Partnership Board oversees the development of strategy and performance management for Health and Social Care within the framework set by the Council and the PCT Board. The Partnership Board is responsible for overseeing delivery, performance management and setting strategies to deliver the framework, reporting to the Council and the PCT Board on the delivery of the Health and Social Care Services and the operation of the Partnership Agreement. Partnership Board meetings are held in public and are scheduled to take place every 2 months.

- **West of England Local Enterprise Partnership** – In October 2010 the Government approved a submission to form a Local Enterprise Partnership (LEP) building upon the existing 'West of England Partnership' of the four local unitary councils and businesses in the sub-region.

The Priorities of the LEP are:

People – facilitate the supply of a workforce with skills business need.

Business – support 5 key emerging sectors (Creative & Media; Advanced Engineering; micro electronics; Environmental technologies; and Tourism).

Place – improved transport, environmental and broadband infrastructure (housing & business use land and premises).

There has been two meetings of the Interim Board and the first full Board meeting took place on 5<sup>th</sup> April 2011. The Board is represented equally by civic and business leaders and meets every two months. In addition to the Council's Board Member the Council's Chief Executive has also attended Board meetings.

[West of England LEP](#)

**p) Performance Management** - Performance is managed through the Council's Performance Management Framework. The approach adopted is based on the Balanced Scorecard, with Directorates, Services and Teams each having their own Scorecard. The Chief Executive with support from the Council's Section 151 Officer and the Strategic Performance Manager has quarterly 1:1 meetings with Directors to discuss Performance Management. A Comprehensive Performance Pack is produced each quarter for review by Strategic Directors Group, Divisional Directors Group, Cabinet and Overview & Scrutiny panels. A 'Dashboard' report has been compiled to simplify reporting.

**q) Risk & Opportunity Management** - The Council Risk Management Strategy was reviewed during the year and was approved in April 2011. The Cabinet and Strategic Directors Group maintain a Corporate Risk Register which defines and assesses risks to Council's objectives and records actions to manage these risks. The risks and actions are monitored on a quarterly basis. Strategic and Divisional Directors review Service risk management processes quarterly e.g. the maintenance of Service / Team risk registers. The Corporate Audit Committee monitors the risk management plan periodically.

**r) Internal Audit** - Internal Audit operates to the standards set out in the Chartered Institute of Public Finance Accountant's 'Code of Practice for Internal Audit in Local Government'. The Council's appointed External Auditor will then assess Internal Audit against this code and its most recent assessment is that Internal Audit satisfies all elements of this code. The Head of Risk & Assurance reports annually to the Corporate Audit Committee on the performance of the Internal Audit function.

**s) External Inspectorates** - The Council maintains an objective and professional relationship with external auditors and statutory inspectors to seek assurance that the Council is providing efficient, effective and economic services and are proactive in securing continuous improvement in the way its functions are exercised.

## 4. REVIEW OF EFFECTIVENESS

The Council has responsibility for conducting an annual review of the effectiveness of its governance framework including the system of internal control. In accordance with best practice, the Council has adopted a methodology (Process & Assurance Framework) to formally review the governance framework for the purposes of this Statement. The components are as follows:

### **Management Assurance -**

- A review of compliance with the adopted Local Code of Corporate Governance.
- A review of the implementation of the Risk Management Strategy
- A review of Internal Audit Report findings and recommendations.
- A review of fraud and special investigations completed during the year by Internal Audit.
- Meetings with 'Key' Corporate Officers to specific areas including: Performance; Finance; Communications; Legal; Information Governance; Human Resources; Health & Safety; Equalities; Sustainability; Corporate Complaints and Internal Audit. The objective of these meetings was to identify issues for further discussion with Divisional Directors.

### **Statutory Officer Assurance**

- Meeting with the Council's Statutory Officers (Head of Paid Service, Monitoring Officer and Chief Financial Officer) to discuss their roles and responsibilities and issues identified during the year.

### **Service Assurance -**

- Meetings with Divisional Directors to capture their input using a standard Service Assurance Questionnaire.
- The questionnaires covered the Service Governance Framework Components: Governance, Service Planning, Financial Management, Risk Management, Information Governance, Internal Control, Procurement, Project Management, Partnerships, Human Resource Management; Health & Safety, Corporate Equality; Environmental Sustainability & Climate Change and Public Interest.

### **Performance Management -**

- A review of performance management reporting
- A review of financial management reporting

### **External Review Assurance -**

- An examination of external inspection reports.
- An examination of external audit reports
- A review of complaints to the Local Government Ombudsman.

### **Other Sources -**

- An examination of the work of the Corporate Audit Committee.
- An examination of Standards Committee and Overview and Scrutiny Panels minutes
- A review of the adequacy of the complaints procedure including monitoring and reporting outcomes.
- A review of Strategic Director meetings reports / minutes.

## 5. PRODUCTION OF THE ANNUAL GOVERNANCE STATEMENT

The publication of the Annual Governance Statement represents the end result of the review of the effectiveness of the governance framework. Corporate involvement in the production of the Statement included:

- **Divisional Directors** – The Divisional Directors Group were briefed on the 4<sup>th</sup> February 2011 on the process and their roles and responsibilities.
- **Statutory Officers** – The S151 Officer and Monitoring Officer were briefed during February and March 2011 on the process and their roles and responsibilities.
- **Corporate Audit Committee** – The Committee were informed of the Annual Governance Review on 1<sup>st</sup> February 2011. An update was provided to the Chair of the Corporate Audit Committee on 7<sup>th</sup> June 2011.
- **Strategic Directors** – The Annual Governance Review and the 'List of Issues' were considered by Strategic Directors Group on the 27<sup>th</sup> June 2011.
- **Corporate Audit Committee** – The Committee reviewed and approved the Annual Governance Statement for signature by the Leader of the Council and the Chief Executive on the 28<sup>th</sup> June 2011.
- **Leader of the Council & Chief Executive** – The approved Annual Governance Statement 2010-11 was signed by the Leader of the Council and the Chief Executive following its approval by the Corporate Audit Committee.



## 6. UPDATE ON SIGNIFICANT GOVERNANCE ISSUES 2009/10

The following issues were identified on last years Annual Governance Statement:

No.	Issue	Action Plan – <i>(Current Position)</i>
1.	<p><b>Economic Downturn &amp; Financial Challenge to the Council</b></p> <p>The Economic Downturn issue was raised in the 2008/9 Annual Governance Statement and at that time the impact of the recession was only just being felt by Services and the Community. During 2009/10 the Council’s Cabinet and Corporate Performance &amp; Resources Overview &amp; Scrutiny Panel received regular monitoring reports on the Council’s proactive efforts to reduce the impact on the Community through the use of its recession reserve. It remains too early to say whether the recession is fully behind us as recovery in the economy is still weak and there remains the risk of a ‘double dip’.</p> <p>During the year, the demand for Council Services has changed and the Council has responded to the financial challenge of managing budgets in key areas within the Customer Services Directorate. The organisational change process was complex and required staffing issues to be managed.</p> <p>The 22<sup>nd</sup> June 2010 Emergency Budget announced a significant reduction in public sector spending and the savings required will impact on service provision.</p>	<p>In relation to support to the local economy the majority of actions were complete as at end of year (2009) when a full report on the use of Recession Reserve was made to Cabinet.</p> <p>The Financial Challenge to Council Services is being assessed in detail following the elections, the appointment of a Coalition government and the 22<sup>nd</sup> June Emergency Budget.</p> <p>The Council has made prudent assumptions of the likely impacts on its budget and services have started the Medium Term Resource and Service Plan exercise early. The assumptions will be updated when the impact of the Emergency Budget has been analysed and these will then be reviewed again following the Comprehensive Spending Review scheduled for the 20<sup>th</sup> October 2010.</p> <p><i>(Risks &amp; related action plan are monitored through the Council’s Corporate Risk Register – Risks 15 &amp; 16. Quarter 1 2011/12 review of the Register has been completed – all recorded actions are ‘Complete’ or ‘On-Target’).</i></p>

No.	Issue	Action Plan – ( <i>Current Position</i> )
2.	<p><b>Bath Transport Package</b>  During 2009/10 the Bath Transport Package continued to progress, however it received ‘significant public interest’ which is a key criteria for consideration.</p> <p>Events during 2009/10 included:</p> <ul style="list-style-type: none"> <li>▪ 20<sup>th</sup> May 2009 – 4 planning applications comprising the Bath Transport Package submitted to Development Control Committee. Three of the applications approved, the fourth (Newbridge Park &amp; Ride and Bus Transit System) was deferred to obtain further technical detail.</li> <li>▪ 6<sup>th</sup> Aug 2009 – Applications for Newbridge Park &amp; Ride / BTS and A4 Eastern Park &amp; Ride subject to consideration by Secretary of State.</li> <li>▪ 8<sup>th</sup> October 2009 – Government announced two outstanding applications will not be subject to Public Enquiry.</li> <li>▪ November 2009 – Decision Notices for Newbridge Park &amp; Ride / BTS and A4 Eastern Park &amp; Ride issued.</li> <li>▪ February 2010 – Compulsory Purchase Orders – Council serve ‘Statement of Case for Making the Order’ for each CPO.</li> </ul> <p>Further developments:</p> <ul style="list-style-type: none"> <li>▪ May 2010 – Public Inquiry date of 1<sup>st</sup> September to decide on compulsory purchase of parcels of land in Bath.</li> <li>▪ June 2010 – Government announcement that the Public Inquiry is to be postponed.</li> <li>▪ June 2010 – Emergency Budget and scheduling of the Capital Spending Review for 20<sup>th</sup> October 2010.</li> </ul> <p>There remain significant funding risks as the project proceeds and the situation will therefore need to be carefully monitored and managed.</p>	<p>1. Action taken &amp; required to prepare for a Public Inquiry will be monitored through the Council’s Built Environment Leadership Group &amp; the Transport Board.</p> <p>2. Government Funding plans will be monitored and reported to Cabinet. In the mean time, further expenditure will be minimised pending the outcome of the comprehensive spending review.</p> <p><i>(Risk &amp; related action plan being monitored through the Corporate Risk Register – Risk 13. Quarter 1 2011/12 review of the Register has been completed – all recorded actions are ‘Complete’ or ‘On-Target’).</i></p>

No.	Issue	Action Plan – ( <i>Current Position</i> )
3.	<p><b>Severe Weather</b> Between the 5<sup>th</sup> and 15<sup>th</sup> January severe weather was experienced both locally and nationally resulting in heavy snow falls, severe ice and freezing temperatures within the B&amp;NES region.</p> <p>The results of this weather impacted directly on the ability of all sectors of business and Council Services to continue to deliver their full range of services. In these situations this inevitably places significant strain on front-line and critical services where services have the biggest impact both on the community and vulnerable individuals.</p> <p>The situation was exacerbated in key areas such as refuse by a period of cold weather pre-Christmas and the impact of the Christmas holidays which meant delays to providing services were even longer than normal.</p> <p>An 'Outcomes of Severe Weather' report was submitted to the Council's Strategic Directors Group on 15th February 2010 recording achievements and issues. This reported that the emergency had been managed well. However as with all incidents of this nature, areas of improvement were identified.</p>	<ul style="list-style-type: none"> <li>• A paper will be submitted to Strategic Directors Group in the late Summer of 2010 to verify that the Council is in an improved position if exceptional circumstances are experienced again during the Winter 2010/11.</li> </ul> <p>Paper was submitted to SDG 2<sup>nd</sup> August 2010.</p> <p>Further bad weather was experienced during Winter 2010/11. The impacts were effectively managed.</p> <p>Key actions taken included:</p> <p><b>Incident Command / Capabilities / Roles</b></p> <p>Development of a Major Incident Plan (Final version approved April 2011).</p> <p><b>Highways</b></p> <p>Completed Winter Maintenance Review during Summer / Autumn 2010.</p> <p><b>Council Comms (including Schools)</b></p> <p>Server and internet pipe capacity increased.</p> <p>IT systems developed enabling Schools to directly input to Council webpages for direct public access and use by radio stations.</p> <p><b>IT Systems</b></p> <p>In addition to comms issues, resilience in relation to remote access through broadband and slvpn has been improved.</p>

No.	Issue	Action Plan – ( <i>Current Position</i> )
4.	<p><b>Information Security</b>            During 2009/10, three Internal Audit reviews relating to the management of key information management systems within the Council assessed the system of internal control as ‘weak’. These included the ONE system in Children’s Services, ParkMobile system in Parking Services and the ResourceLink system in Human Resources.</p> <p>Issues included –</p> <ul style="list-style-type: none"> <li>- Audit Trails deactivated</li> <li>- Lack of effective management and exception reports</li> <li>- Weaknesses in access and password management</li> <li>- Accessibility to personal information</li> <li>- Training of system administrators</li> <li>- Third Party access</li> <li>- Unnecessary Retention of Records</li> <li>- Separation of duties</li> <li>- Business Continuity Planning</li> </ul> <p>All of the issues / weaknesses identified were accepted by management and action plans are being monitored. Internal Audit will follow-up all these areas during 2010.</p>	<p>A proposal has been made to look at the options for centralising, simplifying and sharing the role of key system administrator tasks.</p> <p>The purpose of this proposal will be to reduce risk, simplify information security requirements and achieve efficiencies through economies of scale. This would tackle the vast majority of issues being raised.</p> <p>In addition, Internal Audit will carry out follow-up reviews on the relevant systems.</p> <p>No progress on the proposed action to centralise System Administrator roles.</p> <p>Follow-up Internal Audit reviews for the ONE System, ParkMobile &amp; ResourceLink Audits were carried out during Quarter 4, 2010/11. This identified progress had been made with implementing agreed actions.</p> <p>This area has been subject to further scrutiny during the Annual Governance Review 2010/11.</p>

## 7. SIGNIFICANT GOVERNANCE ISSUES 2010/2011

The following issues have been identified for action by 31<sup>st</sup> March 2012:

No.	Issue	Actions
1.		
2.		
3.		
4.		

We propose over the next financial year (2011/12) to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of the next annual governance review.

### SIGNED BY:

**PAUL CROSSLEY**  
LEADER OF THE COUNCIL

**JOHN EVERITT**  
CHIEF EXECUTIVE

**DATE: 30th June 2011**