

Appendices:
1. Governance Action Plan



AUDIT COMMITTEE REPORT

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| Report Title | Progress Update on Implementing the Governance Action Plan |
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AGENDA STATUS: PUBLIC

Audit Committee Meeting Date: 3rd September 2018

Policy Document: The Governance Action Plan

Directorate: Borough Secretary

Accountable Cabinet Member: Jonathan Nunn - Leader

1. Purpose

1.1.1 This report outlines the progress made to date on implementing the Council's Governance Action Plan.

2. Recommendations

2.1 That the Committee review and comment and where appropriate constructively challenge the Governance Action Plan to inform further work on its content, development and implementation.

2.2 That the Committee agree that the Governance Action Plan is no longer required to be presented at future audit committee meetings.

3. Issues and Choices

3.1 Report Background

The Governance Action Plan has been a fundamental document for the Council. The purpose of the plan was to ensure training and support is available for officers to strengthen and ensure effective governance arrangements and processes are in place within the Council.

3.2 Plan update:

3.2.1 Of the 48 actions originally listed for implementation, two remain open. Following the update reviews, 46 actions have been closed based on evidence received. Since the last Committee meeting in June, 2018, four actions have been deemed completed.

| GOVERNANCE AREA | Number of Actions | Fully Implemented | Partly Implemented | Not Implemented | To Be Confirmed |
|-------------------------------------|-------------------|-------------------|--------------------|-----------------|-----------------|
| Risk Management | 6 | 5 | 1 | 0 | 0 |
| Project Processes | 3 | 3 | 0 | 0 | 0 |
| Programme & Project Support | 5 | 5 | 0 | 0 | 0 |
| Due Diligence | 1 | 1 | 0 | 0 | 0 |
| IA Recommendations | 4 | 4 | 0 | 0 | 0 |
| Exec. Decisions – Cabinet Processes | 13 | 12 | 0 | 0 | 1 |
| Governance | 4 | 4 | 0 | 0 | 0 |
| Financial Governance | 11 | 11 | 0 | 0 | 0 |
| Other | 1 | 1 | 0 | 0 | 0 |
| Total | 48 | 46 | 1 | 0 | 1 |
| Percentage | 100% | 96% | 2% | 0% | 2% |

The Governance Action Plan as at 21.08.18 can be found at **Appendix 1**.

3.2.2 Implementation of this Governance Action Plan was owned and overseen by this Committee, by the Leader of the Council, the Chief Executive and the Statutory Officers.

3.3 Improvement areas

The following are the areas covered since the last committee where improvements have been made. The Governance Action Plan itself has always been a precursor to further detailed work that is required to enable the control environment within the Council to be effective and robust.

3.3.1 Risk Management

3.3.2 Risk management is a key priority in the Governance Action Plan and has three linked tasks which are firstly to review the risk management framework, policy, procedures and processes of the Council, secondly to embed risk management throughout the organisation and lastly to ensure there is effective risk reporting through the governance process.

3.3.3 Training plans have, in the main, been completed for most officers and members of the Audit Committee. However, there are a few people that still have to be interviewed to ascertain their requirements although the general consensus so far is that members and officers would appreciate training in risk management albeit maybe at different levels of understanding. Arrangements will be made with the Independent Chair of Audit to organise training sessions in the next quarter for audit committee members.

- 3.3.4 The corporate risk register has been updated during August 2018 and is currently in draft stage for presentation to Cabinet in October 2018. The register has additions and the removal of risks that are either no longer relevant, have merged with other risks identified or have transitioned into issues rather than risks. The update has taken into account the NBC restructure that will be effective as of 3rd September, 2018 and as such all Heads of Service had input into the risk register which will be updated on a quarterly basis.
- 3.3.5 The corporate risk register will be presented to the December 2018 Audit Committee.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 There will be various impacts and indeed transformation of current policies. The governance action plan will ensure that all policies are tightened and individually and in aggregate contribute to embedding effective arrangements for risk management and to building a strong control environment at the Council.
- 4.1.2 Compliance with these policies will be monitored through the Internal Control reviews and reported upon through the governance structure and to the Audit Committee starting in the new financial year.

4.2 Resources and Risk

- 4.2.1 The additional capacity required to implement the governance action plan previously reported to the Audit Committee has now been put in place through normal decision-making processes. Financial implications will be reported through the budget process.

4.3 Legal

- 4.3.1 None to report at present.

4.4 Equality

- 4.4.1 Whilst there are no specific equality implications at this stage, various HR policies will be reviewed through the governance action plan. All these reviews will be supported by equality and community impact assessments using Stonewall LGBT rights charity.

4.5 Consultees (Internal and External)

- 4.5.1 Internal consultation has taken place with Corporate Management Board and other senior officers, LGSS finance, and Internal Audit and External Audit on

the matters in the governance action plan and external expert advice has been taken where required.

4.6 Other Implications

4.6.1 None specifically

5. Background Papers

5.1 Various internal working documents

Joanne Bonham, Governance & Risk Manager