



**ANNUAL GOVERNANCE STATEMENT  
2015/16**

# Annual Governance Statement (AGS)

## 1. Scope of Responsibility

- 1.1 Craven District 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.
- 1.2 In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which include arrangements for the management of risk.
- 1.3 The Council has approved and adopted a Local Code of Governance (the Code), which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government. A copy of the Local Code can be obtained from the Council's website [www.cravencd.gov.uk](http://www.cravencd.gov.uk) or by writing to: - Financial Management, Craven District Council, 1 Belle Vue Square, Broughton Road, Skipton, North Yorkshire, BD23 1FJ.
- 1.4 This Statement explains how Craven District Council has complied with the Code and meets the requirements of regulation 4 regulation 4(2) of the Accounts and Audit (England) Regulations 2015. It is a requirement to produce this statement under regulation 6(1) b of the Accounts and Audit (England) Regulations and that it is approved by Audit & Governance Committee in advance of them agreeing the statement of accounts. The Statement also sets out significant governance issues that will be addressed during 2016/17.

## 2. The Purpose of the Governance Framework

- 2.1 The Governance Framework comprises the systems and processes, and cultures and values, by which the Council is directed and controlled and the activities through which it accounts to, engages with and, where appropriate, leads the community. It enables the Authority to monitor the achievements of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.
- 2.2 The system of internal control is a significant part of that Framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness.
- 2.3 The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Craven District 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.
- 2.4 The framework for corporate governance recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives and Senior Managers (SOLACE) identifies six underlying principles of good governance. These principles have been taken from the Good Governance framework and adapted for local authorities. They are defined as follows:

- Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area
- Members and officers working together to achieve a common purpose with clearly defined functions and roles
- Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour
- Taking informed and transparent decisions which are subject to effective scrutiny and managing risk
- Developing the capacity and capability of members and officers to be effective
- Engaging with local people and other stakeholders to ensure robust public accountability.

2.5 The Governance Framework has been in place at Craven District Council for the year ended 31<sup>st</sup> March 2016, and up to the date of the approval of the Statement of Accounts for 2015/16. It has seen reports submitted to Audit & Governance Committee on the progress made on issues identified in the previous Annual Governance Statement and identified any issues for consideration in the 2015/16 Statement.

### **3. The Council's Governance Framework**

Set out below are the key elements of the Council's systems and processes that comprise our governance arrangements in accordance with the six principles:

3.1 Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.

3.1.1 The Council produces and publishes a Council Plan which sets out the Council's Vision, and states clear key priorities for improved outcomes for citizens. The Council Plan is published as a four year rolling document. A review of the Plan, including the Council's vision, mission and priorities is carried out on an annual basis through the strategic planning process. This process is informed by community and member consultation, reflecting political and community objectives, and acts as the basis for setting the Council's priorities. Service Plans are also produced on an annual basis setting out the key goals, actions and targets for the year, for each service area. The Plans incorporate improvement actions and performance indicators, including those relating to the delivery of the Council Plan.

3.1.2 The Council has a Long Term Financial Strategy and Medium Term Financial Plan which includes budgets that are soundly based and are designed to deliver the Council's priorities. The financial management system includes:

- A Long Term Financial Strategy highlighting key financial risks and pressures on a ten year rolling basis
- An annual budget cycle which gives a three year Medium Term Financial Plan and incorporates Council approval for detailed revenue and capital budgets as well as treasury management strategies
- Annual Accounts supporting stewardship responsibilities, which are subject to external audit and which follow Statements of Recommended Practice, Accounting Codes of Practice, and International Financial Reporting Standards
- Budget Monitoring Reports and Quarterly Performance clinics (including Value For Money (VFM)) Clinics which combine budget and performance monitoring.

- 3.1.3 A Performance Management Framework sets out the formal arrangements for effective performance management, and is used to monitor and report progress against the Council Plan, Annual Service Plans, Budgets and Performance Indicators.
- 3.1.4 The Council has a Value for Money Framework detailing the Council's principles and actions for securing Value for Money in the services it delivers. This includes an agreed approach for Service Reviews to secure efficiencies and improve effectiveness.
- 3.2 Members and Officers working together to achieve a common purpose with clearly defined functions and roles

The Council has the following arrangements in place:

- 3.2.1 A Constitution, updated on a rolling basis, setting out how the Council operates, how decisions are made, and the procedures which are followed to ensure that these are lawful, efficient, open, transparent and accountable to local people. This includes Standing Orders; Financial Regulations, Committee Membership and Terms of Reference, Scheme of Delegation to Officers, and Members and Employee Codes of Conduct / Protocol.
- 3.2.2 Regular meetings between the Leader of the Council, the Chief Executive and Group Leaders.
- 3.2.3 Lead Members and Champions for specific Council Priorities including a Lead Member for Asset Management and Financial Resilience.
- 3.2.4 A designated Head of Paid Services (the Chief Executive), responsible and accountable to the Authority for all aspects of operational management, in accordance with Section 4 of the Local Government and Housing Act 1989.
- 3.2.5 A designated Section 151 Officer (the Strategic Manager – Financial Services), responsible to the Authority for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control, in accordance with Section 112 of the Local Government Finance Act 1988.
- 3.2.6 A designated Monitoring Officer (the Solicitor to the Council and Monitoring Officer), responsible to the Authority for ensuring that agreed procedures are followed and that all applicable statutes, regulations and other relevant statements of good practice are complied with, in accordance with Section 5 of the Local Government and Housing Act 1989.
- 3.2.7 An Independent Remuneration Panel that reviews Members' remuneration.
- 3.2.8 Recruitment and Selection and Job Evaluation Policies and Procedures, providing a framework for the recruitment and selection of employees which reflects fairness, equity and best practice.
- 3.2.9 A strategic planning process, communication strategy and performance framework to ensure the Council's vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated.
- 3.2.10 Effective mechanisms to monitor service delivery, e.g. the Performance Management Framework, the complaints, comments and compliments procedure,

and customer satisfaction surveys.

- 3.2.11 Constitutions, Terms of Reference or Service Level Agreements are in place for each partnership, as appropriate. These measures ensure that there is clarity over the legal status of powers, and roles and responsibilities in respect of each partnership in which the Council is involved. The Council has a comprehensive database of partnerships which is maintained on an on-going basis.
- 3.3 Promoting the values of the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour
- 3.3.1 The set of shared core Values embedded in the culture of the organisation, guiding and influencing the way the Council and its staff work, and helping to continually improve performance.
- 3.3.2 The Council has developed and adopted formal Codes and Protocols aimed at ensuring high standards of conduct and personal behaviour, which make up the Council's ethical framework for both Members and employees.
- 3.3.4 The Localism Act 2011 introduced changes to the standards regime. The Council has a duty under the act to promote and maintain standards. The Council's Standards Committee acts as the main means to raise awareness and takes the lead in promoting and maintaining high standards of conduct and the effectiveness of the ethical framework.
- 3.3.5 Arrangements are in place to ensure that members and staff are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and appropriate processes exist to ensure they continue to operate in practice. These include a complaints procedure, standards hearings, codes of conduct, equality impact assessments of services, and policies and equalities training.
- 3.4 Taking informed and transparent decisions which are subject to effective scrutiny and managing risk
- 3.4.1 The Council's Select (Scrutiny) Committee provides constructive challenge in relation to the Council's services and those of other agencies. The Scrutiny Officer provides support to the Committee and the development of the scrutiny function. A work programme is formulated on an annual basis which complements the aims and objectives of the Council's Priorities in the Council Plan. Issues that arise during the year can also be referred to the Committee. Different methods are used to involve the public and stakeholders in Select (Scrutiny) Reviews, including surveys, press releases and invitations to meetings. An annual report is produced recording recommendations and actions.
- 3.4.2 The Audit and Governance Committee acts as the Council's responsible body charged with governance. In doing so it provides independent assurance on the adequacy of the risk management framework and the associated control environment, approves the Final Statement of Accounts, and receives reports from External and Internal Audit. In February 2015 the Council approved the appointment of a non-voting independent member to assist the Committee. The appointment is for 2 years until May 2017.
- 3.4.3 The Council has a Standards Committee that is responsible for promoting and maintaining good ethical governance within the organisation and operates in accordance with legislative requirements.

- 3.4.4 The Call-In Procedure provides a mechanism for Members to directly challenge decisions made by the Policy Committee.
- 3.4.5 The Council has a Whistleblowing Policy and an Anti-Fraud and Corruption Policy.
- 3.4.6 Arrangements and processes are in place to ensure conflicts of interest on behalf of members and employees are avoided.
- 3.4.7 The Council has an established Complaints, Comments and Compliments procedure which is due to be reviewed in 2016. There are also procedures in place to deal with complaints about Members.
- 3.4.8 In order to ensure those making decisions are provided with information that is fit for purpose, relevant, timely and gives clear explanations of technical issues and their implications, the Council uses a standards report format. The reports include financial, legal and risk management implications, as well as relevance to Council Priorities. Wherever possible, reports are circulated in good time before meetings in order to meet the Access to Information requirements.
- 3.4.9 The Council has a formal system of Risk Management. Whilst responsibility for the identification and management of risks rests with service managers, corporate arrangements are coordinated by the Risk Management function to ensure that:
- 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.
- 3.4.10 The system of risk management includes the maintenance of an overall and corporate risk register. The Risk Management Group and Corporate Leadership Team (CLT) are responsible for keeping arrangements for both risk registers under review. The Register is used to monitor risks and identify appropriate action plans to mitigate risks. These risk management arrangements and the Corporate Risk Register containing the Council's key strategic risks are monitored by CLT and the Audit & Governance Committee.
- 3.4.11 The Council has policies in place to ensure compliance with established policies, procedures, laws and regulations.
- 3.5 Developing the capacity and capability of Members to be effective and ensuring that officers, including statutory officers, also have the capability and capacity to deliver effectively
- 3.5.1 The Councils People Strategy 2016 – 2020 was approved by Policy Committee in April 2016. The action plan is monitored, reviewed and updated quarterly.
- 3.5.2 Recruitment and selection procedures are based on recognised good practice that aims to secure applicants for employment from all sections of the Community.
- 3.5.3 Induction training is given to new Members and staff.
- 3.5.4 Protocols are in place which set out the roles and responsibilities of the three statutory officers.
- 3.5.6 Performance of officers is managed under the Council's Performance Development Review (PDR) system. This links individuals' performance to that of their Service and the Council. The PDR provides the opportunity to identify staff training and development needs.
- 3.5.7 Member Training is provided to meet the needs of all Members. Options are

being explored to develop a Member Development Programme with other Local Authorities.

- 3.5.8 The Council revises its Training and Development Plan annually. A Leadership and Management Development Programme was delivered during 2013-2015. A further Management Development Programme is due to be delivered in July 2016 to enable succession planning as required in the future. A variety of training across all service areas is delivered throughout the year, as highlighted via the Council Performance Development Review process.
- 3.5.9 The Council continues to develop its Apprenticeship Scheme. During 2015 4 new Apprentices were appointed. Recruitment is currently underway to recruit a further 3 Apprentices in 2016
- 3.5.10 In March 2015 it was confirmed that the Council had retained its Investors in People (IiP) accreditation. The IiP award is a very challenging standard to meet and is increasingly seen as a measure of a quality employer. The award represents a significant achievement for the Council and it serves as a testament to the work of all staff and Members in establishing excellent management practices. Most importantly, it acknowledges the efforts of all the staff who have embraced the considerable changes that have been necessary to move the Council forward. The next review is due to take place in 2018.
- 3.5.11 Various partnerships are in place with local schools, colleges and voluntary organisations to provide opportunities for work experience to individuals from all sections of the community.
- 3.6 Engaging with local people and other stakeholders to ensure robust local public accountability
- 3.6.1 The Council ensures its staff and the community are clear to whom and for what the Council is accountable through publication of its Constitution.
- 3.6.2 The Council's Community Engagement Strategy and Toolkit sets out how the Council will consult, engage and involve the public in service improvement and delivery. The Select (Scrutiny) function is one of the Council's primary means of engaging with local communities and stakeholders. An annual report on the activity of the scrutiny function is produced.
- 3.6.3 The Council also operates an Employers Consultative Working Group consisting of Members, the Chief Executive, Corporate Head of Business Support and Trades Union representatives.
- 3.6.4 Clear channels of communication are in place with the Parishes, for example the Parish Liaison Group and the Parish Clerks Forum.
- 3.6.5 All meetings of the Council, its Committees and Sub-Committees are open to the public, except when we have to discuss information in closed session to avoid the disclosure of exempt information.
- 3.6.7 The following includes some of the arrangements the Council has in place to enable us to engage with all sections of the community effectively:
- The annual consultation programme - Have Your Say
  - A Residents Panel
  - Active involvement with the Craven Youth Council
  - Budget Consultation
  - Publishing an Annual Statement of Accounts

- Crime and Disorder Committee
- Craven Community Safety Partnership

3.6.8 The Council requested a peer review which was completed in June 2012. One of the guiding questions for this type of challenge is 'Are effective governance and decision-making arrangements in place to respond to key challenges and manage change and transformation'. The review found that the council embraced the challenge positively, transparently and openly. The Council is in early discussions with the LGA for a review in 2017.

3.6.9 The Council nominates Members on to outside bodies.

3.6.10 The Council is continuing with its approach of Community Led Planning, establishing Local Action Teams. The 'Localism Reserve' established in 2011 and has provided funding for organisations and individuals including third sector, parish and town councils and community and business groups to deliver community projects that fit with Council priorities. The Localism Reserve is provided two years funding for the Council's Core Grant Funding Scheme in 2014/15 and 2015/16.

#### **4. Review of Effectiveness**

4.1 Craven District Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework, including the system of internal control. The review of effectiveness is informed by the work of the Council's Leadership Team, who have responsibility for developing and maintaining the governance environment, the Audit Services Manager's annual report, and also by the comments made by external auditors and other review agencies and inspectorates.

4.2 Issues identified in the 2014/15 Annual Governance Statement and the management actions to reduce the risk have been reported to, either Audit & Governance Committee and or Policy Committee and or Council. These reports where appropriate have also included new issues for consideration.

4.3 The purpose of a review is to identify and evaluate the key controls in place to manage the main risks. It also requires an evaluation of the assurances received, identifies gaps in controls and assurances, and should result in an action plan for addressing significant internal control issues.

4.4 This document is produced as a result of that review in respect of the 2015/16 financial year.

4.5 Key roles in maintaining and reviewing the effectiveness are performed by:

##### **4.5.1 The Council**

The Council is the supreme body of Members and has overall responsibility for the Council's policy and budget framework, which includes adoption of, and any fundamental changes to, the Council's Constitution.

##### **4.5.2 Policy Committee**

The Policy Committee is responsible for exercising the Council's powers within the budget and policy framework in the non-regulatory areas of its functions. It is also charged with making recommendations to the Council on the budget and framework and any plans, policies or strategies that have a significant corporate impact.



#### 4.5.3 **Select (Scrutiny) Committee**

This Committee plays an important part in Members' influence on the Council's governance, including holding the decision-makers to account, primarily through the call-in procedure, contributing to policy development and review.

#### 4.5.4 **Audit and Governance Committee**

The Audit and Governance Committee has overall responsibility for ensuring the effective development and operation of corporate governance within the Council and ensuring compliance with best practice. The Committee's remit includes internal and external audit activities, the control environment, risk management and the review and approval of the Council's annual Statement of Accounts.

The Committee is also responsible for maintaining the Council's Constitution and for conducting community governance reviews within the District.

In June 2014 the Council approved the appointment of a non-voting independent member to assist Audit & Governance Committee in their work. An appointment to the role was agreed in February 2015 for a period of two years.

#### 4.5.5 **Standards Committee**

The Standards Committee monitors compliance with codes and protocols, reviews the operation of the Members' Code of Conduct, ensures the provision of effective training and is responsible for the system that ensures complaints relating to alleged breaches of this Council's and the Parish Councils' Codes of Conduct are dealt with. The Committee is a consultee on all elements of the Constitution relating to the ethical framework.

#### 4.5.6 **Statutory Officers (i.e. Head of Paid Service, Chief Financial Officer, and Monitoring Officer)**

The Chief Executive is the Council's head of paid service; the Strategic Manager – Financial Services is the Council's chief financial officer (s151 officer). The Solicitor to the Council is the Monitoring Officer. This officer has a statutory responsibility to ensure the legality of transactions, activities and arrangements that the Council enters into.

All reports presented to Committee for decision making require the legal, financial, and staffing implications to be explicitly detailed. The council's Head of Paid Service, Chief Financial Officer, and Monitoring Officer/Deputy Monitoring Officer consider these reports, along with their implications.

Each officer also provided on-going advice in connection with both the financial and legal standing of council business, including monthly reviews of the council's expenditure against budget.

The Council's Monitoring Officer, oversees the operation of the Constitution in order to ensure that its aims and principles are given full effect. A Corporate Governance Working Group, consisting of the s151 officer, the Monitoring Officer, other relevant officers and Members, oversees the review of the governance framework.

At the end of the year a statement assuring that there were no significant governance issues that were not covered in the Annual Governance Statement which was signed on behalf of management by the Chief Executive.

#### 4.5.7 **Internal Audit**

The work of internal audit in local authorities is now governed by the Public Sector

Internal Audit Standards (PSIAS). These took effect from April 2013 and it is a legal requirement for local authorities to comply with them. The PSIAS state that at least once every five years, local authorities are required to commission a review by an outside organisation to see how far their internal audit service meets the Standards. Craven commissioned its external auditors, Mazars LLP, to review its Internal Audit Service during March 2014.

Whilst the overall conclusion of the review was that Internal Audit is “substantially compliant”, with the requirements of the PSIAS it identified a number of areas where there was scope for improvement in the work of Internal Audit, the overall governance and assurance arrangements within the Council and the role Internal Audit plays within those arrangements. All actions included in the improvement plan have now been implemented – except for developing an assurance map. The intention is to consider this during 2016/17 and for it to become part of the planning process for the 2017/18 Internal Audit Plan.

The PSIAS require that “chief audit executive”, or equivalent gives an annual opinion on the overall adequacy and effectiveness of the organisation’s arrangements for governance risk management and internal control. The Audit Services Manager has set out his opinion on these arrangements for Craven covering 2015/16 in her Annual Internal Audit Report.

The 2015/16 financial year was the first year of the new three year shared service arrangement between Craven District Council and Harrogate Borough Council. The overall opinion of the Council’s Internal Audit is that:

*“.....**Governance:** This concerns the combination of protocols, procedures and structures in place to inform, direct, manage and monitor activities towards the achievement of the Council’s objectives. The opinion is that generally speaking, adequate and effective arrangements are in place. The Annual Governance Statement sets out those arrangements and I can confirm that these are comprehensive.”*

Internal Audit does however express concern regarding the following:

- The security of personal and sensitive information needs to be reviewed to ensure that it is protected and adequately secured.
- The publication requirements contained within the Transparency Code need to be followed so that no breach of the Code occurs.

*“.....**Risk Management:** The Council has adequate arrangements in place with risk management being embedded within the Authority. This is based on Internal Audit’s experience and observation of proceedings at the Risk Management Group – together with a review of the Risk Management Strategy and risk registers (both corporate and specific (recent examples include Tour de France, Skipton Town Hall refurbishment, Health and Safety). There is also robust challenge by Members when risk registers are submitted to the Audit and Governance Committee for consideration and approval.” Audit and Governance Committee appointed its Independent Member to be its representative on the Risk Management Group. His remit is to report back to the Committee the scope for improving effectiveness of the Council’s arrangements and provide suggestions for areas of focus.*

*“.....**Internal Control:** Generally, fundamentally sound systems of internal control are in place. 67% of the opinions issued were either “significant” or “good”. In other areas, progress continues to be made.*

#### 4.5.8 **External Audit**

The external audit of the Council is provided by Mazars. Whilst external auditors are not required to form an opinion on the effectiveness of the Council's risk and control procedures, their work does give a degree of assurance. The Council believes that a proactive relationship with the Mazars strengthens its governance arrangements. Regular meetings have taken place to cover corporate matters and accounting and internal audit matters.

Conclusions and significant issues arising in 2015/16 are included in their report to those charged with governance. There were no significant issues from the 2014/15 Audit.

### **5. Significant Governance Issues**

- 5.1 It is stressed that no system of control can provide absolute assurance against material mis-statement or loss. This statement is intended to provide reasonable assurance.
- 5.2 Issues that have been identified as Significant Governance Issues are included in Appendix A. Appendix B sets out the major issues arising from the work of Internal Audit ('Priority 1' issues). Under the Council's 2015/16 governance arrangements, all internal audit recommendations are reported through the Audit and Governance Committee. Outstanding Priority 1 issues arising during 2015/16, and brought forward from the previous year, have been set out in Appendix B.
- 5.3 The governance issues set out in Appendices A and B will be addressed during 2016/17. Progress on actions identified to address the recommendations of the Audit Commission's report will be subject to regular monitoring by the Council's Audit and Governance Committee.

**APPENDIX A: SIGNIFICANT GOVERNANCE ISSUES 2015/16**

Ref	Gaps in 2015/2016	Improvement Action	Responsible Officer	Timescales	Position at 31 March 2016 & Commentary
<b>PSIAS Review March 2014</b>					
1.	Integration of the role of Internal Audit within the Council's 'assurance framework'. An assurance mapping exercise to ensure that operational risks are identified is required.	An assurance mapping exercise should be carried out within the framework of a new assurance framework to ensure that all of the key risks the Council and its service lines are facing are identified.	Internal Audit Services Manager	31 March 2016  Revised to 31 March 2017	Work has yet to begin due to the focus being on the procurement of a new integrated audit and risk system. This will occur in June/July 2016 with an expectation of the new system being in place by the Autumn. The assurance mapping exercise will occur after installation and will be integral to the creation of the 2017/18 Audit Plan.

<b>APPENDIX B: SIGNIFICANT GOVERNANCE ISSUES</b>					
<b>Ref</b>	<b>Gaps in 2015/16</b>	<b>Improvement Action</b>	<b>Responsible Officer</b>	<b>Timescales</b>	<b>Position at 31 March 2016 &amp; Commentary</b>
<b>2015/16 (Outstanding Priority 1 issues arising from 2014/15 Internal Audit Work)</b>					
<b>1.</b>	IA 14/15 157 A clearly owned information asset inventory should be developed and maintained. Once developed, identified information asset owners should ensure that risks and opportunities are monitored.	Data audits to document the Councils Information Assets form part of the Information Governance Project.	ICT Manager	June 2016	An Information Asset Inventory framework has been developed, and is being compiled and refreshed on an ongoing basis with the identified Information Asset Owners (Service Managers). The Council's overall inventory has been partially completed. It is anticipated that the project will be completed in June 2016
<b>2015/16 (Outstanding Priority 1 issues arising from 2015/16 Internal Audit Work)</b>					
<b>2.</b>	IA 15/16 227 A replacement for the Fast Control system should be timetabled for implementation as soon as possible	Replacement system is budgeted for within the capital programme for delivery by April 2017	Strategic Manager – Planning & Regeneration	April 2017	Recruitment to the project manager role is underway. Once an appointment is made there will be a lead in time of approximately 18 months before the new system is fully introduced.
<b>3</b>	IA 15/16 239 The procedure for raising, recording and approving credit notes should be consistent and staff reminded of the process	Regular management checks to be introduced.	Bereavement Services Manager	January 2016 – June 2016	Staff training commenced in December. A new management report has been devised and introduced to highlight all accounts with credits or zero invoices. These are then checked by the Bereavement Services Manager. The reports are then retained on file. Training will be completed by the end of June.
<b>4</b>	IA 15/16 245 Access levels should be set up on the BACAS system	Appropriate levels of access to be set on the BACAS system.	Bereavement Services Manager	January 2016 – June 2016	We are currently working with BACAS to achieve this. Access levels as appropriate should now be introduced by the end of June.

**APPENDIX B: SIGNIFICANT GOVERNANCE ISSUES cont.....**

<b>Ref</b>	<b>Gaps in 2015/16</b>	<b>Improvement Action</b>	<b>Responsible Officer</b>	<b>Timescales</b>	<b>Position at 31 March 2016 &amp; Commentary</b>
5.	IA 15/16 256 There should be appropriate arrangements put in place to ensure that the Belle Vue Square ground floor alarm is set in any absence of the Caretaker	Appropriate zoning for alarms required / arranged for BVS.	Facilities Manager	March 2016	The Council has a number of alarms from different suppliers across its property portfolio. The intention is to rationalise them. In the interim a meeting with the BVS alarm company has been arranged and an order placed to alarm the Registrars Zone whilst a practicable solution is sought to keep flexibility of access in other areas.
6.	IA 15/16 257 Cabinets containing personal data should be locked at night	Staff reminder issued via core brief. Staff training via e-learning. Policies updated. Approval of Information Management & Governance Strategy	ICT Manager	September 2016	This recommendation will be completed during the current financial year.
7.	IA 15/16 259 Arrangements should be made to ensure that any data of a personal and/or sensitive nature held in the chapel office is stored securely	Staff reminder issued via core brief. Staff training via e-learning. Policies updated. Approval of Information Management & Governance Strategy	ICT Manager	September 2016	A review of filing storage has been undertaken and VDU screens relocated. Locked storage alternatives are now being considered.
8.	IA 15/16 261 Arrangements should be made to ensure that any data of a personal nature held in the TIC should be stored securely	Staff reminder issued via core brief. Staff training via e-learning. Policies updated. Approval of Information Management & Governance Strategy	ICT Manager	September 2016	This action has been implemented, but compliance will be confirmed by July 2016.
9.	IA 15/16 263 The security and condition of the Engine Shed Lane archive store should be assessed in terms of its adequacy for data storage and appropriate action taken	Visit by Information Governance Officer and recommendations proposed.	ICT Manager	March 2016	Review is currently in progress and will be completed in 2016.

Through the actions referred to above, we propose, over the coming year, to address the issues that have been identified, with a view to further enhancing our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and we will monitor their implementation and operation as part of our next annual review.

**Signed**

**Signed**

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**Councillor C Harbron**  
**Chairman of the Audit & Governance**  
**Committee**

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**Paul Shevlin**  
**Chief Executive**