

APPENDIX 1

2015 / 2016 AGS: ACTION PLAN PROGRESS

Please note that the actions included in this action plan are to address both significant governance issues that have arisen during 2015/16, but also forward looking matters identified for 2016/17.

	Issue	Action	Target Date	Officer Responsible	Progress Update
1	<p>New Service Delivery Arrangements</p> <p>Different services delivery arrangements have been introduced across a range of Council services, including shared service arrangements with South Cambridgeshire District Council and Huntingdonshire District Council for the delivery of Building Control, ICT and Legal Services and a Housing Development Agency and Cambridge City Housing Company.</p> <p>Governance Arrangements have been established for these new service delivery arrangements, but it is important for the Council to understand whether these are working effectively and delivering expectations to our stakeholders with no undue risks.</p>	<p>Review the effectiveness of governance arrangements established for shared services and other service delivery arrangements to ensure they are working effectively.</p> <p>Identify any lessons learnt from the establishment of shared services and ensure these are communicated across the Council.</p> <p>An audit is included on the 2016/17 audit plan to undertake such a review.</p>	31 March 2017	Head of Internal Audit	Audit currently underway

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2	Financial Management System The Council is in the process of replacing its current financial management system, Oracle, with a new system. The Financial Management System is a key corporate system that underpins the whole of the Council's financial control arrangements and it is therefore imperative that there is a robust process for implementing the new system, incorporating key controls into all processes.	Ensure a robust process is established for the migration of data to the new financial management system and that interfaces with other key systems are thoroughly tested as part of the implementation plan. Internal Audit to undertake additional testing to ensure the robustness of the above processes. (This is included as part of the 2016/17 audit plan).	31 March 2017 31 March 2017	Head of Finance Head of Internal Audit	Number of obstacles in process which are being discussed with the supplier to address. Audit input to FMS project ongoing since October 2016 and has been resource intensive to ensure project remains on track. This will continue until implementation. This will include input into User Acceptance Testing, Data Migration and testing of interfaces.

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3	<p>Budget Management</p> <p>A number of issues concerned with cost centre management arrangements have been highlighted following a recent audit of Project Delivery Arrangements within Streets and Open Spaces.</p> <p>Financial management and budgetary control are key elements of the Council's governance framework and it is important therefore that these are properly controlled.</p>	Conduct audit of Budgetary control arrangements, which is included as a corporate audit in the 2016-17 audit plan.	31 March 2017	Head of Internal Audit	Audit is in abeyance as changes are being made to the processes in relation to 2 above as well as resources being channelled into the above project.

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4	<p>Capital Variance Reporting Arrangements</p> <p>A number of issues regarding capital variance reporting arrangements have been highlighted by the audit identified in 3 above and also by the Finance Team and Capital Programme Board.</p> <p>The arrangements for budget monitoring and reporting of significant variances are again key elements of the Council's governance arrangements and it is therefore important that these processes are robust and reliable.</p> <p>A review of capital variance reporting arrangements by the Finance Team is now underway and a number of improvements to the process have been identified.</p>	Complete the review of Capital Variance Reporting arrangements and roll out agreed actions across the organisation.	31 March 2017	Head of Finance	As a result of the review of project governance arrangement council-wide, the Capital Programme Board will take a key role in monitoring capital project delivery, including the review of capital variances. Terms of reference are under development. Capital expenditure monitoring reports and processes have been further developed during the year to provide more accurate and relevant information. Work is on-going to enable direct reporting from the new FMS.

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5	<p>Information Security</p> <p>Information Security remains a key risk to the Council and work is ongoing to implement appropriate controls and raise awareness of data security across the authority. A more structured approach to data incident reporting and responding has been developed and a recent audit of Data Security and Data Sharing Arrangements was given a significant assurance rating. This audit made a number of recommendations to ensure the Council has a complete record of what data it shares with other organisations and to mitigate the risk of future data breaches.</p> <p>There have been a relatively small number of minor data security breaches during 2015/16, all of which have been addressed appropriately or are being addressed.</p> <p>It is important that the Council continues to keep data security high on the agenda to ensure that it is effectively managed, particularly with the introduction of new service delivery arrangements for ICT and information management.</p>	<p>Ensure implementation of agreed actions arising from recent audit review.</p> <p>The Information Security Group (ISG) to continue to raise awareness of data security issues and respond to data security breaches as appropriate.</p>	<p>30 September 2017</p> <p>31 March 2017</p>	<p>Head of Corporate Strategy (as Chair of ISG)</p>	<p>Actions from the 2016 audit review have been implemented, including a major focus on mandatory training for staff, and the wider implementation of PIN-controlled printing.</p> <p>An annual report on information governance to Civic Affairs was initiated by officers in 2016, increasing the transparency and accountability around these issues.</p> <p>The transfer of responsibility for information governance to 3C ICT shared service should increase the range of expertise available to the Council on these complex issues.</p>

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6	<p>Constitution / Financial Regulations</p> <p>In addition to the introduction of shared services across a number of key service areas, a new senior management structure has also recently been implemented across the Council.</p> <p>Both of the above will have implications for key roles and responsibilities as set out in the Council's Constitution and Financial Regulations.</p>	<p>Review and update the Council's Constitution and Financial Regulations/ Financial Procedures Rules to reflect the changes in the Council's new senior management structure and new shared service arrangements for Legal, ICT and Building Control.</p> <p>Consider the merits of removing Financial Regulations from the Constitution and maintaining them as a separate 'Technical Guide'.</p>	31 March 2017	Monitoring Officer / Head of Finance (S151 Officer)	Democratic Services Manager carried out review of delegations in the constitution and updated them to reflect the new senior management structure.
7	<p>Cambridge Live</p> <p>In April 2015 'Cambridge Live' was established as a charitable trust to take over the running of the Corn Exchange and the Folk Festival, plus a range of outdoor events on behalf of the Council. The Council continues to support Cambridge Live. It is now timely to review the arrangements between the Council and the trust to ensure the Trust is delivering to expectations.</p>	<p>Review the arrangements between the Council and the trust to ensure the Trust is delivering to expectations.</p> <p>A review of this area is included on the 2016/17 audit plan for last quarter,</p>	31 March 2017	Head of Internal Audit	Review is currently being completed.

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8	<p>HSE Investigation</p> <p>A serious incident occurred at the Bonfire Night event in November 2015, in which a member of the public was seriously injured. An HSE investigation is still ongoing.</p> <p>The Council has conducted a review of its approach to managing events on its open spaces, based on advice received from the Health and Safety Executive (HSE), and continues to work with Cambridge Live to address issues arising from this incident.</p>	Ensure that the lessons learnt from the outcomes of the above incident are effectively and appropriately shared with other services across the Council and put into practice to improve controls.	31 March 2017	Strategic Director	New arrangements have been adopted

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9	<p>Loss of Key Staff</p> <p>One of the key effects of the significant changes being implemented across the Council, as described in 6 above, is the considerable loss of knowledge and experience as staff, and in particular key staff, leave the organisation in a short space of time.</p> <p>This could have an impact on service delivery not only for the services concerned (i.e. ICT, Legal Services and Building Control) but also for the services that they support. This currently represents a significant risk to the Council.</p>	<p>Identify lessons that could be learned from experiences to date (particularly in relation to ICT) to help the organisation manage such transitions more effectively in future.</p> <p>Implement more robust arrangements for succession planning to ensure that where key staff are leaving the organisation, adequate preparation is made for this. This should include identification of their key roles and responsibilities, so that these continue to be fulfilled, and an appropriate handover plan, including handover notes and discussions. Where key roles and responsibilities are being transferred, it should be ensured that there is sufficient resource in place and that officers have the right level of skills and knowledge to undertake any new roles. Any changes in responsibility should be communicated across Council.</p>	31 March 2017	Strategic Leadership Team	Regular monitoring is in place to identify any gaps in resources so that action can be taken to address,