

AUDIT COMMITTEE - Table of Outstanding Issues (January 2018)

GENERAL					
Governance Area	Activity / Subject	Recommendation / Issue	Lead Service	Progress / Comments	Status - Target Date
Risk Management	Effective Management of the Council's Property Portfolio	Following the Audit Committee's training session on 23 October 2014, Officers were requested to keep the Committee up to date with the property risk audit that is to be undertaken in partnership with the Council's insurers.	Head of Finance and Revenues and Benefits	The insurer's risk engineer has recently completed their preliminary work following an inspection of the Council's premises late last year. They also met with the Council's Fraud and Risk Manager and Head of Building Services, with formal recommendations awaited.	Last Quarter of 2017/18
The Council's Governance arrangements	Procurement / Contract Arrangements	At its 22 September 2016 meeting, the Committee considered the Table of Outstanding Issues Report, following which it resolved that in light of the recent experiences in connection with the public conveniences contract the Council reviews its current procurement/contract processes to identify if such issues could be prevented in the future.	Head of Finance and Revenues and Benefits+D8	The recent review of the constitution included the requirement for services to use the Council's updated standard contract terms unless otherwise agreed by the Monitoring Officer / S151 Officer. This will bring consistency to the Council's contract terms / clauses, which seek to protect the Council as far as reasonably possible whilst recognising that such requirements do not discourage contractors from bidding for Council contracts.	Completed

<p>The Council's Governance arrangements</p>	<p>Procurement / Contract Arrangements</p>	<p>At its meeting on 22 September 2016, the Committee were presented with an update against actions identified as part of the Seafronts Investigation Action Plan. Outstanding actions are as follows:</p> <p>The centralisation of repair / maintenance type work to reduce the potential for untrained staff to become involved in the procurement process continues to be reviewed as there may be a number of potential advantages from this approach.</p> <p>Guidance / Mandatory training remains under development which will include the following key points:</p> <ul style="list-style-type: none"> * Actions to protect the Council from fraud * Expectation of officers if covering another officer's duties where procurement is undertaken * The nature and level of assistance that can be provided to people / organisations bidding for Council work * Disaggregation of works to avoid procurement procedure rules is not permitted * Checks to undertake ensure potential contractors have the capacity and financial stability to deliver the Council's requirements * What activities need to be completed before payment is released to contractors / suppliers * The correct coding of expenditure within the financial systems * Contractors not to be paid in advance unless contractually obliged to do so * 'Spot' checks required by Senior Managers to ensure rules / guidance is being adhered to 	<p>Head of Finance and Revenues and Benefits</p>	<p>A training guide was finalised and published during March 2017.</p> <p>Training for relevant officers has been arranged for late February 2018 which will be delivered in partnership with Internal Audit. As previously highlighted, the training will aim to reflect real life examples of the issues identified during the year and from the work of internal audit rather than just highlighting the requirements set out in the Constitution, which will therefore provide practical advice to officers involved in procurement activities.</p> <p>It is proposed to place restrictions within the Council's ordering / procurement processes to ensure only those officers who have undertaken this training and confirmed that they have read and understood any associated guidance can place orders and procure goods and services on behalf of the Council.</p>	<p>February 2018</p>
<p>The Council's Governance arrangements</p>	<p>Effective Monitoring of S106 Agreements</p>	<p>At its 16 March 2017 meeting, the Committee considered a S106 Update Report, following which it resolved that:</p> <ul style="list-style-type: none"> (a) the progress in relation to the Section 106 audit be noted; (b) a follow-up audit be undertaken in March 2018; and (c) the Section 106 Audit be added to the Table of Outstanding Issues 	<p>Head of Planning Services / Audit and Governance Manager</p>	<p>A follow up audit is included within the Internal Audit Plan.</p> <p>As previously reported, an officer has been recruited on a 2 year fixed term basis to support the administration of S106 agreements. Work also remains on-going in respect of the associated IT system and a further update will be provided to the Committee at its next meeting.</p>	<p>March 2018</p>

Risk Management	Emergency Planning Arrangements	<p>In light of the Grenfell Tower disaster in 2017, the Committee raised comments to Cabinet regarding the Council's own emergency planning arrangements and Cabinet's response was as follows:</p> <p><i>It is recognised that this is an important issue which has been brought into sharp focus by the tragic events at Grenfell Tower. It is also recognised that the Council's standing emergency planning procedures are robust and it is proposed to include a session on the Council's Emergency Planning arrangements at a future All Member's Briefing.</i></p>	Corporate Director (Corporate Services)	This item has now been included within the All Member Briefing schedule.	Completed
------------------------	--	---	---	--	------------------

AUDIT COMMITTEE - Table of Outstanding Issues (January 2018)

ANNUAL GOVERNANCE STATEMENT ACTIONS

ANNUAL GOVERNANCE STATEMENT ACTIONS		
Governance Issue	Action	Current Position / Update
Sustainable Resource Deployment: Achievement of Savings Needed over the Medium Term	Via the Financial Strategy process, continue to maintain a strong and robust approach to identifying savings and respond to new or additional burdens against the backcloth of planned cuts in Government funding to the Council over the period 2017/18 to 2019/20, with expected savings of £3.4m being required.	<p>A long term financial sustainability plan / 10 year forecast was agreed by Cabinet on 5 September 2017.</p> <p>Updated forecasts were presented to Cabinet in December 2017 and January 2018 along with a detailed budget for 2018/19, which was in-line with the forecast.</p> <p>Work is now underway in developing the necessary plan to deliver against the forecast going into 2019/20 along with considering how performance against the forecast can effectively be reported to Members on a regular basis.</p>
	To continue to maintain strong governance arrangements as the Council transforms the way in which it provides and delivers its services.	<p>The office rationalisation business plan was agreed in September 2017 and work is now underway to deliver this major project.</p> <p>A major digital transformation project is currently in the process of being finalised for reporting to Cabinet in February 2018.</p>
Informed Decision Making: Garden Communities	To continue to play a key role in the development of the Garden Communities Project including key governance structures and financial arrangements set against open and transparent decision making.	Key decision making milestones are expected to be reached in 2018/19 with associated reports expected to be presented to Members later in the year.
Working with Partners and Other Third Parties: Jaywick Sands	To continue to work with Essex County Council and other partners to develop options for residential and other development. To develop options for a housing company and lead on the set up of a company.	Work remains in progress to take this major project forward and will form part of a wider Housing Strategy which is being developed for reporting to Members early in 2018/19.
Other Major Issues	To ensure deliverability of projects without impact on the day to day operations of the Council.	This forms part of business cases / plans when developing significant projects.

	<p>To develop and maintain a robust corporate approach to delivery against the Council's health and safety responsibilities.</p>	<p>Health and safety responsibilities were brought together with risk management in 2017 under the leadership of the Fraud and Risk Manager within a dedicated team. Development of a robust corporate approach to delivery against the Council's health and safety responsibilities forms a key focus for this dedicated team over the remainder of 2017/18 and into 2018/19.</p>
--	--	--