REPORT TO:	Business Efficiency Board
DATE:	26 June 2008
REPORTING OFFICER:	Strategic Director – Corporate & Policy
SUBJECT:	Annual Governance Statement 2007/8
WARD(S):	Borough-wide

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to:

(a) Outline the approach taken to produce the Council's 2007/08 Annual Governance Statement; and

(b) Present the Council's Annual Governance Statement for review and approval.

2.0 RECOMMENDATION:

The Board is recommended to review and approve the Council's Annual Governance Statement.

3.0 SUPPORTING INFORMATION

Background to the Annual Governance Statement

3.1 The Accounts and Audit (Amendment) Regulations 2006 require Councils to conduct a review at least once a year of the effectiveness of its system of internal control and to publish a statement on internal control each year with the authority's financial statements.

3.2 CIPFA and SOLACE have advised that it is proper practice to publish this statement as an Annual Governance Statement (AGS) in a prescribed format. The AGS should be signed by the Council's Leader and Chief Executive.

3.3 Sound governance arrangements and accountability are considered critical if councils and connected partnerships are to fulfil their purpose and deliver their intended outcomes for citizens and service users and operate in an effective, efficient and ethical manner.

3.4 The AGS must be reviewed and approved at a meeting of the Council or a delegated committee prior to publication with the financial

statements. At Halton, this responsibility is assigned to the Business Efficiency Board.

3.5 The process of preparing the AGS should, in itself, add value to the Council's corporate governance and internal control framework. The AGS should be approved by the end of June and should also be up to date at the time of publication. The best practice framework provides guidance on what the AGS should contain. This includes:

- An acknowledgement of responsibility for ensuring that the Council has established a sound system of governance (incorporating the system of internal control);

- An indication of the level of assurance that the systems and processes that comprise the Council's governance arrangements can provide;

- A brief description of the key elements of the governance framework;

- A brief description of the process that has been applied in maintaining and reviewing the effectiveness of the governance framework including reference to the roles of various Members/Officers in this process.

- An outline of the actions taken, or proposed, to deal with any significant governance issues, including an agreed action plan.

Approach taken to produce the Annual Governance Statement

3.6 The production of the AGS has been co-ordinated through a management group led by the Strategic Director – Corporate & Policy. This group has been responsible for evaluating the sources of assurances and identifying any areas where the Council's governance arrangements could be strengthened. A flowchart summarising the process followed in preparing the AGS is shown in Appendix 1.

3.7 The sources of assurance that have informed the preparation of the AGS have included:

- The Council's Overview and Scrutiny arrangements;

- The work of the Standards Committee;

- The Council's risk management framework;

- The work of Internal Audit;

- The Council's performance management framework;

- The Comprehensive Performance Assessment (CPA);

- The annual audit and inspection letter (from External Audit);

- The results of external inspections;

- The results of the Financial Management Standard in Schools (FMSiS) external assessment process.

3.8 Following analysis of the Council's governance arrangements, the AGS has been drafted in accordance with the guidance in the CIPFA / SOLACE framework document.

3.9 Approval and ownership of the governance statement has been reflected at corporate level and the AGS will be signed on behalf of the authority by the Chief Executive and Leader of the Council.

3.10 Following approval, the AGS will be included within the authority's published Statement of Accounts and be available on the Council's website.

3.11 The Council's External Auditors will review the process that the authority has followed in preparing the AGS as part of the 2008 Use of Resources assessment. A self-assessment as to how the Council has met the specific key lines of enquiry that relate to the AGS is included at Appendix 2.

Annual Governance Statement 2007/8

3.12 The AGS is intended to identify any areas where the Council's governance arrangements are not in line with best practice or are not working effectively, together with action plans for improvement.

3.13 The 2007/8 review of the Council's governance framework has concluded that there are no significant weaknesses in the Council's governance arrangements. However, a number of areas have been identified where action is proposed to further strengthen the overall arrangements:

- Adoption of a local code of corporate governance;

- Further development of the Council's IT disaster recover arrangements;

- Adoption of more formal information governance arrangements;

- Improved performance management arrangements of partnerships;

- Improved co-ordination of human resource management, asset management and procurement;

- Development of the scrutiny function in regards to service planning and performance management.

3.14 A copy of the draft AGS is attached at Appendix 3. A summary of the action that is being taken to strengthen the Council's control and governance arrangements is included at the end of the document.

4.0 POLICY, FINANCIAL AND OTHER IMPLICATIONS

4.1 The Accounts and Audit (Amendment) Regulations 2006 include a statutory requirement to prepare a statement on internal control in accordance with 'proper practice'. With effect from 2007/08 'proper practice' is defined by the CIPFA/SOLACE Framework as an Annual Governance Statement. Additionally, the framework promotes the benefits of developing a local code of governance.

4.2 There are no direct financial implications arising from the Annual Governance Statement itself, although there may be financial implications in terms of the actions required to address identified weaknesses in the Council's control framework.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 **Children and Young People in Halton**

See 4.1 above.

5.2 **Employment, Learning and Skills in Halton**

See 4.1 above.

5.3 **A Healthy Halton**

See 4.1 above.

5.4 **A Safer Halton**

See 4.1 above.

5.5 **Halton's Urban Renewal**

See 4.1 above.

6.0 RISK ANALYSIS

6.1 The Council is legally required to 'conduct a review at least once in a year of the effectiveness of its system of internal control' and include a statement on internal control in its statement of accounts in accordance with the requirements of the Accounts and Audit (Amendments) Regulations 2006. The annual governance review process aims to ensure that an accurate statement can be produced in line with these requirements. Part of the review process includes consultation with the Business Efficiency Board, which is responsible for ensuring that the Council's governance arrangements comply with best practice.

6.2 Compliance with requirements in respect of the Annual Governance Statement is included in a number of the key lines of enquiry for the CPA 'Use of Resources' assessment. Failure to adhere to best practice in terms of the preparation of the Annual Governance Statement could impact on the Council's overall score for 'Use of Resources'.

6.3 Adoption of a local Code of Corporate Governance is cited as best practice. Failure to do so may lead to criticism and a missed opportunity to strengthen the Council's governance arrangements.
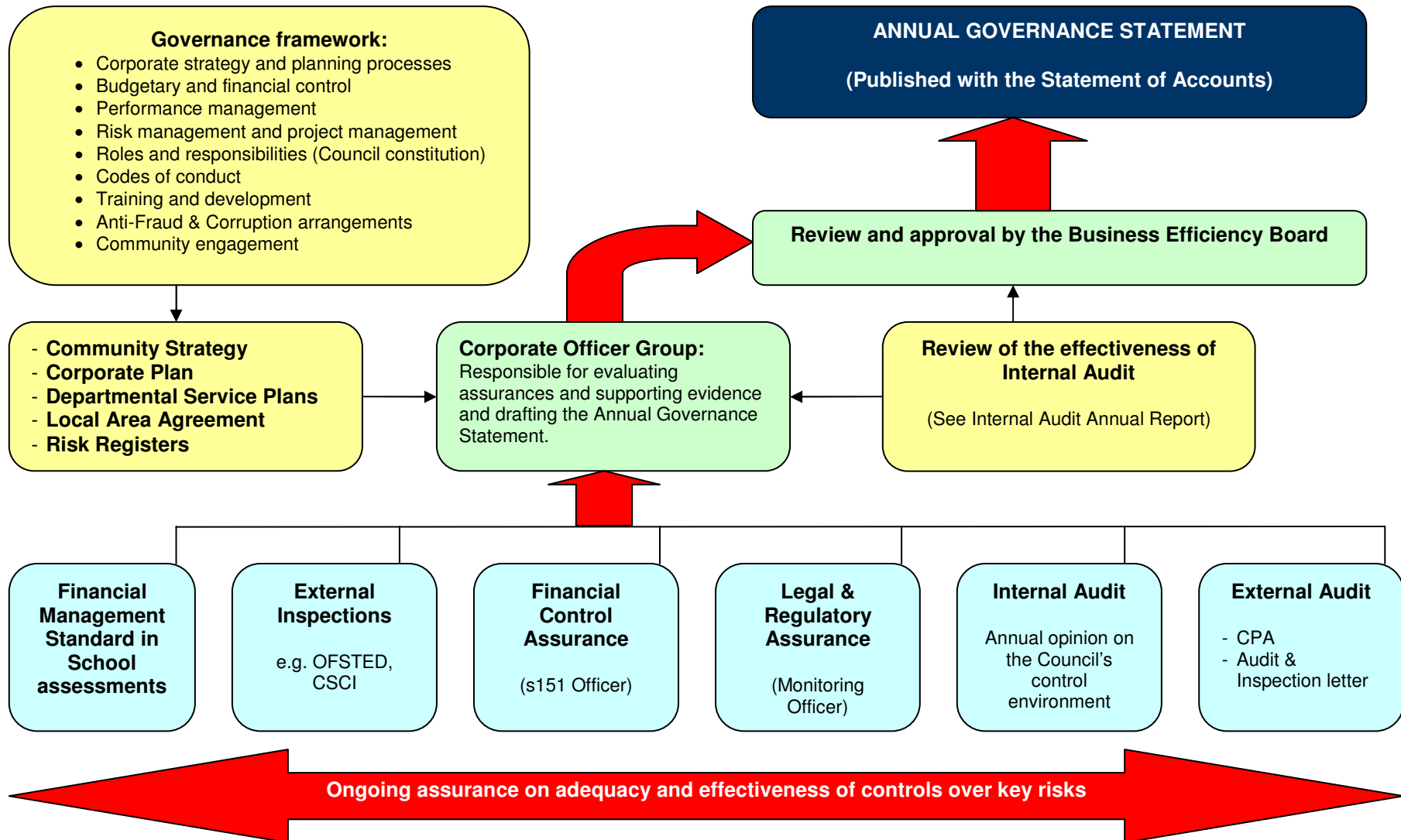
7.0 EQUALITY AND DIVERSITY ISSUES

7.1 None.

8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact
CIPFA / SOLACE – Delivering good governance in Local Government: Framework (2007)	6th Floor, Municipal Building, Kingsway, Widnes	Mervyn Murphy
CIPFA / SOLASCE - Delivering good governance in Local Government: Guidance note for English authorities (2007)		
The Accounts and Audit (Amendment) (England) Regulations 2006 (Statutory Instrument 2006 No. 564).		

ANNUAL GOVERNANCE STATEMENT – ASSURANCE FRAMEWORK

Governance framework:
- Corporate strategy and planning processes
- Budgetary and financial control
- Performance management
- Risk management and project management
- Roles and responsibilities (Council constitution)
- Codes of conduct
- Training and development
- Anti-Fraud & Corruption arrangements
- Community engagement

ANNUAL GOVERNANCE STATEMENT

(Published with the Statement of Accounts)

- **Community Strategy**
- **Corporate Plan**
- **Departmental Service Plans**
- **Local Area Agreement**
- **Risk Registers**

Corporate Officer Group:
Responsible for evaluating assurances and supporting evidence and drafting the Annual Governance Statement.

Review and approval by the Business Efficiency Board

Review of the effectiveness of Internal Audit

(See Internal Audit Annual Report)

Financial Management Standard in School assessments

External Inspections

e.g. OFSTED, CSCI

Financial Control Assurance

(s151 Officer)

Legal & Regulatory Assurance

(Monitoring Officer)

Internal Audit

Annual opinion on the Council's control environment

External Audit

- CPA
- Audit & Inspection letter

Ongoing assurance on adequacy and effectiveness of controls over key risks

Annual Governance Statement – Use of Resources Assessment

Criteria for Judgement	Self-assessment as to how the criteria have been met
Level 2 criteria	
An appropriate member group has responsibility for review and approval of the governance statement, and considers it separately from the accounts.	Under the Council Constitution, the Business Efficiency Board has responsibility for the review and approval of the governance statement. The governance statement is considered as a separate item to the accounts.
The Council has conducted an annual review of the effectiveness of its governance framework, including the system of internal control, and reported on this in the governance statement.	A review of the Council's governance framework has been completed, including a review of the system of internal control. The process followed in undertaking this review is described in the draft governance statement.
The sources of assurance to support the governance statement have been identified and are reviewed by senior officers and members.	The sources of assurance to support the governance statement have been identified and are described in the draft statement. The sources of assurance have initially been evaluated by an officer group led by the Strategic Director – Corporate & Policy. The Business Efficiency Board will review the sources of assurance as part of its review and approval of the governance statement.
There are action plans in place to address any significant governance issues reported in the governance statement.	The draft governance statement contains an action plan to address the significant governance issues identified through the review process.
Level 3 criteria	
The Council has put in place an assurance framework that maps the council's strategic objectives to risks, controls and assurances.	The Council's overall assurance framework is summarised in Appendix 1 to this report.
The assurance framework provides members with information to support the governance statement.	The assurance framework provides the Business Efficiency Board with: • A summary of the processes followed in drafting the governance statement; • The Internal Audit Annual Report and quarterly progress reports; • Details of the results of the FMSiS school assessments; • Summaries of findings from external

Annual Governance Statement – Use of Resources Assessment

Criteria for Judgement	Self-assessment as to how the criteria have been met
	inspections; • Information relating to the performance against the Council's Efficiency Strategy.
Level 4 criteria	
The assurance framework is fully embedded in the Council's business processes.	The key elements of the Council's assurance framework are embedded in the Council's business processes. These arrangements include: • Performance management and risk management arrangements have matured and are integrated with the service planning process; • Internal Audit has adopted a risk based audit approach which helps ensure that audit coverage is aligned with corporate priorities; • The Council's Audit Committee (the Business Efficiency Board) is well established and provides appropriate challenge when required; • The Council has robust arrangements for responding to external audit and inspection reports; • The s151 officer and the Monitoring Officer attend Management Team and Executive Board meetings.
The Council can demonstrate corporate involvement in/ownership of the process for preparing the governance statement.	The process for preparing the governance statement is led by the Strategic Director – Corporate & Policy with input from the s151 Officer, the Monitoring Officer, the Operational Director – Policy and Performance and the Chief Internal Auditor. The draft governance statement is also reviewed and considered by Corporate Management Team.

ANNUAL GOVERNANCE STATEMENT 2007/8

1.0	Scope of Responsibility

1.1   Halton Borough 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. Halton Borough Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

1.2   In discharging this overall responsibility, Halton Borough Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

1.3   Halton Borough Council has not yet established a code of corporate governance. This issue is to be addressed in 2008/9 and a code of corporate governance, consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government, is to be approved and adopted.

1.4   This statement explains how Halton Borough Council has complied with the principles of good governance and reviews the effectiveness of these arrangements. It 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.

2.0	The purpose of the governance framework

2.1   The governance framework comprises the systems and processes, and culture and values by which the authority is directed and controlled, and its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement 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. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Halton Borough 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.

2.3 The governance framework has been in place at Halton Borough Council for the year ended 31 March 2008 and up to the date of approval of the statement of accounts.

3.0 The Council's governance framework

Halton Borough Council has established the following arrangements that comprise its governance framework:

3.1 Communicating the Council's vision

a) The long-term vision for Halton is set out in the Sustainable Community Strategy 'Making it happen in Halton 2006-2011' and the Council's own Corporate Plan.

b) To deliver this vision, the Council has identified five key priorities that underpin all aspects of the Council's work:

- A Healthy Halton
- Halton's Urban Renewal
- Children & Young People in Halton
- Employment Learning and Skills in Halton
- A Safer Halton

c) The Corporate Plan is built on these five shared priorities, plus a sixth priority about the way we run the business. There are clear objectives and targets for each priority that are common to the two plans. The Local Area Agreement (LAA) is also structured around the same five priorities.

d) The Council has a range of performance indicators used to measure progress against its key priorities in the Corporate Plan and in the Local Area Agreement. Quarterly monitoring reports record progress against key service plan objectives and targets. These are reported to the Corporate Management Team and to the Policy and Performance Boards.

e) The Council's medium term financial strategy, capital programme, and budget process ensure that financial resources are directed to the Council's priorities.

3.2 Members and officers working together to achieve a common purpose with clearly defined roles and functions

a) The Council aims to ensure that the roles and responsibilities for governance are defined and allocated so that accountability for decisions made and actions taken are clear. The Executive Board is the main decision-making body of the Council and is made up of ten Members who have responsibility for particular portfolios. The Board is chaired by the Leader of the Council and each Board Member has responsibility for policy development for issues that fall within their portfolio.

b) The Council also appoints a number of committees to discharge the Council's regulatory and scrutiny responsibilities. These arrangements, and the delegated responsibilities of officers, are set out in the Council's Constitution.

c) The Constitution also includes a Member/Officer protocol which describes and regulates the way in which Members and Officers should interact to work effectively together.

d) There is a well-established overview and scrutiny framework with five Policy and Performance Boards (PPBs) aligned to the Council's six corporate plan priorities (the five shared priorities and "Efficient and Effective Services". They hold the Executive to account, scrutinise performance and develop policy proposals for consideration by the Executive.

e) The Business Efficiency Board has been designated as the Council's Audit Committee. Its core functions are consistent with those identified in the CIPFA publication 'Audit Committees – Practical Guidance for Local Authorities'. It provides assurance to the Council on the effectiveness of the governance arrangements, risk management framework and internal control environment.

f) The Council's Chief Executive (and Head of Paid Service) leads the Council's officers and chairs the Corporate Management Team.

g) All staff, including senior management, have clear conditions of employment and job descriptions which set out their roles and responsibilities.

h) The Operational Director – Financial Services, as the s151 Officer appointed under the 1972 Local Government Act, carries overall responsibility for the financial administration of the Council.

i) The Monitoring Officer (Operational Director – Legal, Organisational Development& Human Resources) carries overall responsibility for legal compliance.

j)   The Council's significant partnerships have been identified and work is ongoing to ensure that appropriate governance arrangements are in place for those partnerships.

3.3   Promoting values and upholding high standards of conduct and behaviour

a)   The Council has a Standards Committee to promote high standards of conduct and support Members' observation of their Code of Conduct. Councillors have to agree to follow a Code of Conduct to ensure high standards in the way they undertake their duties. The Standards Committee trains and advises them on the Code of Conduct.

b)   Officer behaviour is governed by an Employees' Code of Conduct. The Code has been formulated to provide a set of standards of conduct expected of employees at work and the link between that work and their private lives.

c)   The Council takes fraud, corruption and maladministration seriously and has established policies which aim to prevent or deal with such occurrences:

-       Anti-Fraud and Anti-Corruption Strategy
-       Fraud Response Plan
-       Confidential Reporting Code (Whistleblowing Policy)
-       HR policies regarding disciplinary of staff involved in such incidents.

d)   A complaints procedure is in place for the Council to receive and investigate any complaint made against it, a Member or a member of staff.

3.4   Taking informed and transparent decisions and managing risk

a)   The Council's decision making processes are clear, open and transparent.   The Council's Constitution sets out how the Council operates and the processes for policy and decision making.   Key decisions are published in the Council's Forward Plan. Minutes of all Council meetings are published on the Council's website.

b)   A Risk Management Policy and Toolkit was adopted in 2004.   The Council regularly reviews its corporate and directorate risk registers and all Board and Management Team reports include a section on risk. Risk is also monitored through the Council's quarterly performance monitoring arrangements.

c)   Each of the five specialist strategic partnerships has conducted a risk assessment of its objectives to form a draft Partnership Risk Register.

d)   A project management toolkit has been developed with help from the NW Employers Organisation, and over 200 staff have been trained in its use.

e)   Management Team has established a register of major projects and requires quarterly reports to check on progress and identify any capacity bottlenecks.

f)   The Business Efficiency Board reviews the Internal Audit work programme and oversees the implementation of audit recommendations.

3.5   Developing the capacity and capability of Members and officers

a)   Management of Human Resources has always been a priority for the Council. It first received accreditation as an Investor in People in 1997, with it being renewed for the third time in 2006.

b)   The Council has a Workforce Development Plan (2005) which helps ensure that we have the right workforce with the right skills. The plan is being reviewed and will be rolled forward as part of a new People Strategy.

c)   The Council's training and development programme stretches right across the organisation to include members and staff. The Council was awarded the NW Charter for Elected Member Development Exemplar Level status in May 2007, one of only two such Authorities in the North West.

d)   Newly elected councillors attend a three-day induction programme with follow-up mentoring, and Councillors are offered a personal development interview.

e)   All new staff attend an induction programme with a more detailed programme for new managers.

f)   Every employee has an annual Employee Development Review (EDR) to identify key tasks and personal development needs linked to delivering our priorities. Training needs identified in this way are used to design the corporate training programme. They are also used to identify specialised professional training needs.

3.6   Engagement with local people and other stakeholders to ensure robust public accountability

a)   The Council's planning and decision making processes are designed to include consultation with stakeholders and the submission of views by local people.

b)   Arrangements for consultation and for gauging local views include both formal and informal arrangements:

- Formal arrangements include the Halton 2000 Citizen's Panel, the seven Area Forums, the Youth Forum, Older Person's engagement network.

- Informal arrangements include contact via our website, Halton Direct Link and magazine based customer surveys.

c)   Community and voluntary sector representatives have decision-making roles on the Halton Strategic Partnership Board and on all its SSPs.

d)   The Neighbourhood Management Partnership has developed strong resident engagement through board membership and other means, such as the staging of events.

e)   Within the Halton Strategic Partnership (HSP), responsibility for quarterly performance management of the five priorities rests with the five thematic partnerships (SSPs).

f)   The HSP produces an annual report and stages a whole partnership event each year where progress against the Community Strategy is reported and achievements are celebrated.

g)   Six monthly reporting has been introduced to report on progress against the Local Area Agreement.

h)   A presentation is also made to the Council's Policy and Performance Boards on the six monthly progress report. In November 2007, the HSP Board agreed to establish a balanced score card of indicators for quarterly reporting.

i)   The Council's performance reports are available on its website and BVPI performance and targets are published in the annual Best Value Performance Plan.

j)   The Council publishes a summary of performance information and its financial statements that is distributed with every edition of the free local newspaper – Runcorn and Widnes World.

4.0   Review of effectiveness

4.1   Halton Borough Council annually reviews the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by managers within the Council who have responsibility for the development and maintenance of the governance environment, the work of the Internal Audit and by comments made by the external auditors and other inspection agencies.

4.2 The processes applied in maintaining and reviewing the effectiveness of the system of governance include:

The Council Constitution
The Operational Director – Legal, Organisational Development & Human Resources (the 'Monitoring Officer') has a duty to monitor and review the operation of the Constitution to ensure its aims and principles are given full effect. The Constitution is reviewed annually to incorporate any necessary changes, emerging best practice and new legal requirements. Amendments to the Constitution are put forward for review and approval by full Council.

Overview and Scrutiny Arrangements
The Council's Policy and Performance Boards support the work of the Executive Board and the Council as a whole, by producing reports and recommendations that advise the Executive Board and the Council on its policies, budget and service delivery. Decisions by the Executive Board are monitored by the Policy and Performance Boards who have the facility to examine them in detail. Executive Board decisions may be 'called in', which means that implementation does not take place immediately to allow an opportunity for scrutiny.

The Standards Committee
The Standards Committee have met regularly throughout the year to consider and review issues relating to the conduct of Members including referrals from the Standards Board. Their work has included reviewing the Code of Conduct for Members and preparation/training for the new requirements for dealing with investigations into Members' conduct.

The Council's Risk Management framework
The Executive Board is specifically responsible for the Council's corporate risk management functions and strategy. The Council's corporate risk procedure involves Executive Board regularly reviewing the Council's corporate risk register and making an annual report on risk issues to Full Council.

Strategic Directors are responsible for the production of departmental risk registers that identify and record the control measures put in place for each identified risk that threatens the achievement of key objectives.

The Council's system of internal audit
The Council has delegated responsibility to the Business Efficiency Board for discharging the functions of an Audit Committee. This includes responsibility for approving the audit plan and monitoring progress against that plan.

The Council's Internal Audit service is responsible for reviewing the quality and effectiveness of the Council's risk management, control and governance arrangements and has adopted a risk-based audit approach aligning audit coverage with Council priorities and risks. The Chief Internal Auditor provides an independent annual opinion on the Council's system of internal control.

The Council's Internal Audit service has recently been reviewed by External Audit and is considered to be effective and compliant with the CIPFA Code of Practice for Internal Audit in Local Government.

The Council's Performance Management Framework
Performance against key service objectives and milestones is reported quarterly to Management Team, the Policy and Performance Boards and individual portfolio holders.

The Comprehensive Performance Assessment
The Council's External Auditors assess the overall performance of the Council each year through the Comprehensive Performance Assessment (CPA) process. The most recent CPA report found the Council to be performing at the highest level (four star) and is 'improving well'.

The Annual Audit and Inspection Letter
The Council External Auditors commented that the Council continues to manage its use of resources effectively and assessed the Council as a level three organisation - performing well. Areas identified for further development are being addressed by the Council.

External Inspections
The Council receives reports from numerous inspectorates and regulators throughout the year. Robust systems have been established to respond to any issues identified through the external inspection process.

Financial Management Standard in Schools (FMSiS)
The Department for Education and Skills (DfES) has introduced a Financial Management Standard that all schools are expected to achieve by 31 March 2010. The Standard is a simple statement of the characteristics you would expect to find in a school that is well managed financially. These cover Leadership and Governance, People Management, Policy and Strategy, Partnership and Resources and Processes. The Council has established an inspection timetable to ensure that all schools will have achieved the standard within the required timescale.

4.3   The Business Efficiency Board has been advised on the implications of the results of the review of the effectiveness of the governance framework and a plan to address weaknesses and ensure continuous improvement of the system is in place.

5.0   Significant governance issues

The Business Efficiency Board has considered the evidence provided with regards to the production of the Annual Governance Statement.

No significant issues affecting the Council's governance framework have been identified. However, Halton Borough Council is constantly looking to develop its governance framework and has identified a number of areas where actions are needed to further strengthen the existing arrangements. The issues, and the actions proposed to address them, are summarised at the end of this document.

6.0   Leader and Chief Executive Statement of Assurance

We propose over the coming year to take steps to enhance our governance arrangements. We are satisfied that these actions proposed will address the need for improvements which were identified in our review of effectiveness, and will monitor their implementation and operation as part of our next annual review.

Tony McDermott
Leader of the Council

Date:

David Parr
Chief Executive

Date:

Action Plan to strengthen the Council's Governance & Control Framework

	Issue	Progress to Date / Further Action Required	Responsible	Timeframe
1.	The Council is yet to adopt a local code of corporate governance. It is recommended by CIPFA / SOLACE that each local authority should develop and maintain a local code of corporate governance appropriate to its circumstances.	During 2008/9, the Council plans to adopt a local code of corporate governance that reflects the principles and requirements of good governance set out by CIPFA.	Strategic Director – Corporate & Policy	December 2008
2.	The 2006/7 Statement on Internal Control acknowledged that constantly evolving disaster recovery and contingency procedures are vital due to the Council's ever increasing reliance upon ICT systems and software applications.	A contract has been signed with an external supplier to mirror key servers off site. Major improvements to the network have taken place to improve overall resilience. Improvements have taken place on anti-virus, spyware and intrusion detection initiatives. The Council is planning to replicate applications and data offsite through the use of virtual server technologies.	Strategic Director – Corporate & Policy	April 2009
3.	An internal audit of the Council's Information Governance and Records Management arrangements identified a number of opportunities to improve existing procedures. Action was proposed to help ensure that the Council manages information to a standard quality and within the law. Improved procedures will also provide assurance that privacy and confidentiality standards are followed and that employees are aware of, and comply with, their responsibilities.	A Corporate Information Governance Group has been set up to address a number of issues relating to Information Governance. These include: • Examining how the Council manages it information; • Reviewing information security arrangements; • Establishing a corporate document retention policy; • Developing Data Quality strategies.	Strategic Director – Children & Young People to lead on Information Governance. Strategic Director – Corporate & Policy to lead on Data Quality.	Ongoing

	Issue	Progress to Date / Further Action Required	Responsible	Timeframe
4.	To ensure delivery of key partnership objectives, the Council is looking to improve the performance management arrangements of significant partnerships. This will involve clarifying key accountabilities and responsibilities, and ensuring that action is consistently taken to manage under-performance.	The Halton Strategic Partnership has adopted a performance framework and, using a risk based approach, other key partnerships have been audited. Improved performance management arrangements will be incorporated into the quality assurance and governance arrangements for significant partnerships. Internal Audit will continue to audit the Council's significant partnerships as part of its ongoing plan of work.	Strategic Director – Corporate & Policy	March 2009
5.	Early feedback from the Council's corporate assessment has identified an opportunity to improve the capacity of the Council to deliver its vision and ambition by ensuring that there is a co-ordinated corporate approach to human resource management, asset management and procurement. Better coordination will maximise the impact of these key functions in helping to achieve the overall vision.	These issues will be addressed through the Action Plan to be developed in response to the Council's corporate assessment.	Strategic Director – Corporate & Policy	March 2009
6.	To improve the effectiveness of the scrutiny function, the Council is looking to enhance the role of the Policy and Performance Boards in regards to service planning and performance management.	A Scrutiny Development Plan was agreed in Feb 2008 and a review of the Council's performance management arrangements was completed in June 2008. The outcomes of those reviews will be implemented during 2008/9.	Strategic Director – Corporate & Policy	March 2009