

**REPORT FOR: Governance, Audit & Risk
Management Committee**

Date of Meeting:

19 January 2011

Subject:

Capital Programme

Responsible Officer:

Hugh Peart, Director of Legal &
Governance Services

Exempt:

No

Enclosures:

Implementation grid

Section 1 – Summary and Recommendations

This report sets out how the Council is responding to recommendations in the report to December Cabinet about its capital programme.

Recommendations:

The Committee is requested to:

Endorse the suggested way of monitoring & reporting the implementation of those recommendations; and

Agree to receive further reports at its next meeting on progress of both implementing the recommendations and the Governance Review.

Section 2 – Report

Background

In December 2010 Cabinet received a report setting out issues in the Council's capital programme. Attached to that report were the outcomes of 2 investigations, one focussed on project management, one on financial management.

In addition to making various findings, the investigations made a series of recommendations, to avoid any recurrence of the issues which had affected the programme.

The recommendations were forwarded to the appropriate Corporate Directors, with instructions to implement them. Cabinet requested that this Committee monitor and report on implementation, supported by Internal Audit, who have been instructed to independently verify the process.

Current situation

Recommendations

All the recommendations have been collated and grouped together, and are set out in appendix 1.

The Director of Legal & Governance Services is working with Internal Audit on a programme to ensure that:

each recommendation is owned by a Corporate Director;
there is an agreed priority rating and timescale for each;
attention is given to the highest priority areas; and
all recommendations are implemented as quickly as possible.

As will be apparent from the attached grid, the above process is partly complete, and some actions have been completed already.

It is planned that a full report will be presented to this Committee's meeting in March, setting out progress against each recommendation. This will include Internal Audit's review of progress, and should issues remain outstanding, the Committee's views will be sought as to how they can be resolved.

Governance Review

Given the issues identified in the investigations, the Director of Legal & Governance Services has commissioned a comprehensive review of the Council's Assurance framework.

Initially this is charting all processes from which assurance is derived in what is a complex organisation. This ranges from individual 1-2-1's between a manager and a member of their staff, to formal reporting requirements.

Once charting is complete, suggestions will be made as to how the processes may be simplified and streamlined, to ensure consistent application and personal accountability. These will then be tested against the capital programme issues to ensure, so far as possible, that they could not recur.

The charting and initial suggestions will be reported to this Committee's meeting in March, for its input into how the Council's Governance framework should develop in future.

Financial Implications

Whilst the recommendations may have implications for the Directorates involved, the processes set out in this report can be supported within existing resources.

Risk Management Implications

Given that the recommendations arise from issues which were material in the problems identified in the December Cabinet report, the Council is exposed to some risk so long as they remain outstanding. Accordingly the Corporate Strategy Board is closely monitoring the situation, in addition to the steps outlined above.

Overall this is considered sufficient to manage the current risks.

Section 3 - Statutory Officer Clearance

Name: Myfanwy Barrett	<input checked="" type="checkbox"/>	Chief Financial Officer
Date: 6 th January 2011		
Name: Hugh Peart	<input checked="" type="checkbox"/>	Monitoring Officer
Date: 7 th January 2011		

Section 4 - Contact Details and Background Papers

Contact: Hugh Peart, Director of Legal & Governance Services 020 84242 1287

Background Papers:

Report to Cabinet dated 15th December 2010

<http://www.harrow.gov.uk/www2/mgConvert2Pdf.aspx?ID=12066&T=9>