

Issues identified by the County Council relating to 2006-07 SIC and before -		
Issue	Agreed actions	2006-07 Update
Partnership, Local Area Agreement and Regeneration Governance. Risk that the Council does not have systems in place to monitor its accountable body and partnership responsibilities, with the possibility of financial and reputational loss.	Continuing review of implementation and registration details.	There was a detailed submission to Cumbria Vision Board to ensure that there were resources in place to meet the monitoring requirements expected by government bodies for Regeneration projects. A report was produced by MAU on accountable bodies during the year. An Action Plan was agreed on 27 November 2006, and the partnership register has since been reviewed with progress being monitored by an Officer Partnership Group. Frameworks for Governance, Finance and Performance have been put in place for Local area Agreements. Monitoring arrangements for Safer and Stronger communities are currently being reviewed by MAU and Corporate Finance.
Client arrangements for Capita building and engineering.	Mid term review of Capita followed by the introduction of "pain and gain" performance targets.	Weaknesses have been highlighted in both the client management and delivery by Capita of building work. Building arrangements were reviewed by an external consultant. See report to Cabinet on 19 December 2006. Reports indicate that Highways performance has improved during the year.
Client arrangements for other strategic partners	Previous concerns that there were not robust client systems in place.	The Chief Executive has requested that a risk assessment is carried out for all key contracts. The Council increased the amount of work outsourced in 2006-07 and there is a need to review progress to date.
Waste Management – need to reduce waste collected	Key improvements expected in respect of appointment of Strategic Partner.	Appointment of Strategic partner was delayed during 2006-07 but has been programmed in 2007-08.
Embed risk management	In 2005-06 it was reported that regular reporting of risk management still needs to be developed in some Directorates.	The regularity of reporting of risk and strategic risk management improved during the year. Performance and risk reporting will be integrated during 2007-08 which should result in a further improvement.
Improve business continuity planning.	In 2005-06 a project plan was put in place to ensure that the Council has a full Business Continuity Plan in place.	Each Directorate has a draft Plan in place. Plans were tested and validated through "Exercise Ripost". Work is ongoing to ensure that all plans are consistent and are integrated into an overall corporate plan.
Cumbria Care – resourcing issue	Deteriorating financial position and Working Group set up.	A report went to the County Council on 18 January 2007 concerning the future of Cumbria Care and the set up of Area Groups. Trading status of Cumbria Care removed. This is recorded as a strategic risk and is being kept under quarterly review.

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Equal Pay Claim – significant claim.	The Council was concerned that financing the Claim may affect its overall Corporate Plan.	Claim currently being assessed in the High Court. MAU have reviewed the calculations for test cases. The Council set up a Project Team to deal with the Claim and produced a plan to finance the Council liability Regular review through the Quarterly review of Strategic risks.

Significant issues identified by Management Audit in 2006-07 or before		
Issue	Agreed actions	2006-07 Update
IT Disaster Recovery	MAU were uncertain that current arrangements were robust.	An Initial MAU review noted areas where insufficient information produced in order to assess. Following report to Partnership Board: ICT Client & Agilisys prepared a summary risk analysis. Agilisys have now installed a new data centre in Carlisle: initially to house E5 server, then expand to include other CCC servers & free up existing Courts complex. The new voice & data network [THUS] replacing the BT provision is currently being rolled out across the County. There are still Issues around actual disaster recovery provision v payment penalty system. MAU are currently carrying out a follow up review.
Waste Management – contract irregularities, following a meeting with Client and Procurement team representatives.		Investigative work has been undertaken in connection with waste management arrangements in the south of the County, with concerns that waste processed has been significantly inflated. During 2006/07 the Council identified significant concerns of alleged overpayments to a waste management contractor. Criminal proceedings are underway and the Council is taking steps to recover the alleged overpayments through the civil courts. The Council is reviewing its arrangements with contractors generally and reassessing the risks of fraud.
Sure Start – concerns that robust governance and finance systems are not in place.	Report to Corporate Director and Action Plan.	Issue considered by Audit and Assurance Committee in April 2007 and to review progress within 6 months. Children's Directorate to commence monitoring visits from 2007-08.
Warner Compliance/CRB checks robustness	MAU raised issues concerning: The robustness of systems for: <ul style="list-style-type: none"> • Employing agency staff • Three Year checks on compliance • School arrangements 	Report to this Audit Committee on 5 December, together with reports to CMT on 8 February and to Performance Group D on 21 February 2007, suggesting how these areas can be progressed, and HR Manager to report on developments.