

ACTION PLAN FOR TRAVEL & SUBSISTENCE ARRANGEMENTS**APPENDIX 1**

	Agreed action	Responsible officer(s)	Agreed target date	Progress	Revised target date
1	Review the Code of Conduct for Employees to ensure the Council's expectations on the required standard of conduct on giving hospitality are clear.	Head of HR	Sept 2007	Code of Conduct has been reviewed and revisions made. The revised Code will be taken to CMB on 20th November for approval prior to being presented to the Constitution Review Working Group. The revised Code of Conduct will then be ready for adoption by the full Council at its next scheduled meeting.	February 2008
2	Review the Code of Conduct for Employees to ensure the Council's expectations on the required standard of behaviour in relation to consumption of alcohol during office hours and whilst representing the Council after office hours is clear.	Head of HR	Sept 2007	Code of Conduct has been reviewed and revisions made. The revised Code will be taken to CMB on 20th November for approval prior to being presented to the Constitution Review Working Group. The revised Code of Conduct will then be ready for adoption by the full Council at its next scheduled meeting.	February 2008
3	Review the Code of Conduct for Employees to ensure the Council's expectations on the standard of behaviour regarding working under the influence of alcohol is clear.	Head of HR	Sept 2007	Code of Conduct has been reviewed and revisions made. The revised Code will be taken to CMB on 20th November for approval prior to being presented to the Constitution Review Working Group. The revised Code of Conduct will then be ready for adoption by the full Council at its next scheduled meeting.	February 2008
4	Revise guidance on travelling claims to require separate confirmation by attaching a signed memorandum that the line manager certifies overnight stays within the Council's area. Payroll to reject all claims for overnight stays in the Council's areas that are not accompanied by separate written authorisation by Head of Service and Director.	Head of HR	Sept 2007	Travelling and subsistence guidance has been revised to include the requirement for overnight stays within Herefordshire to be approved by the line manager. Revised guidance to be taken to CMB on 20th November for final approval.	20th November 2007 subject to CMB agreement.
5	Payroll to reject all claims that do not have the correct supporting documentation.	Payroll Manager	Immediate	The Payroll Manager issues an e-mail to all staff as a reminder on the need to ensure all travel and subsistence claims are supported by VAT receipts, that they need to be submitted in a timely fashion and that exceptional items need to be approved by the Head of Service and the Director.	Completed

6	<p>Revise guidance on travelling claims to require monthly submission of travel and expenses claims within a month of the period they relate to.</p> <p>Payroll to reject claims that are received after the deadline indicated in the Councils' Travel & Subsistence Policy.</p>	Head of HR	Sept 2007	<p>Travelling and subsistence guidance has been revised to include the requirement for claims to be submitted within one calendar month of the period to which they relate. Revised guidance to be taken to CMB on 20th November for final approval.</p>	<p>20th November 2007 subject to CMB agreement.</p>
7	<p>Payroll to reject claims that are incomplete and in contravention of the Council's policies unless all exceptions are individually certified by the relevant Head of Service and Director in writing.</p> <p>Travel & Subsistence Claim Form to be reviewed to ensure the disclaimer the claimant and authorising officer make on signing the form is clear that failure to comply with the Council's policies on travel & subsistence could lead to disciplinary action.</p>	<p>Head of HR</p> <p>Head of Benefit & Exchequer Services</p>	Sept 2007	<p>Head of HR to incorporate into revised guidance on the Council's Travel & Subsistence Policy.</p> <p>The Head of Benefit & Exchequer Services has reviewed the declaration both claimant and authorising officer are required to make on the travel and subsistence claim form. No changes were deemed necessary.</p>	<p>20th November 2007 subject to CMB approval.</p> <p>Completed.</p>

8	<p>Reminders from the Head of Legal & Democratic Services to all Key Managers to be issued biannually. Head of Legal & Democratic Services to confirm 100% return rate to include nil returns.</p> <p>Biannual assurance statements to be extended to all Key Managers and to include confirmation that systems are in place to promote compliance with the Council's policies on the declaration of gifts and hospitality offered whether accepted or not.</p>	<p>Head of Legal & Democratic Services</p> <p>Audit Services Manager</p>	<p>Sept 2007</p> <p>Sept 2007</p>	<p>The Head of Legal & Democratic Services has arrange to remind officers twice a year for the future on the need to comply with the Council's rules on declaring gifts and hospitality. He will report to Corporate Management Board if officers fail to make a return.</p> <p>The Audit Services Manager has arranged for the assurance statements to be completed on a quarterly basis for the future, and for them to be completed by members of the Corporate Management Board, Heads of Service and all other Key Managers. The quarterly assurance statements for the period July 2007 – September 2007 were sent to all Key Managers and this will now happen as a matter of routine. The Audit Services Manager will report to the Corporate Management Board if officers fail to make a return.</p>	<p>Completed.</p> <p>Completed.</p>
9	<p>Audit Services Manager to ensure test checks are carried out as part of planned audit work on travel & subsistence.</p>	<p>Audit Services Manager</p>	<p>Sept 2007</p>	<p>The Audit Services Manager has arranged for the travel and subsistence audit programme to include a crosscheck of claims paid to the register of gifts and hospitality.</p>	<p>Completed.</p>
10	<p>Travel & Subsistence policy to be revised to so that all overseas trips are authorised at Director level.</p>	<p>Head of HR.</p>	<p>Sept 2007</p>	<p>Council agreed on 2nd November 2007 to adopt the Audit & Corporate Governance Committee's recommendation that 'all overseas trips be authorised in advance and are cash limited and that the appropriate Cabinet Member be informed'.</p> <p>Travelling and subsistence guidance has been revised to include the above recommendation agreed by Council on 2nd November 2007. Revised guidance to be taken to CMB on 20th November for final approval.</p>	<p>20th November 2007 subject to CMB agreement</p>
11	<p>Contractors should support charges for travel and subsistence included in their invoices with a completed travel and subsistence claim form where the contract allows for reimbursement of costs as incurred.</p>	<p>Head of HR advice to Key Managers.</p>	<p>Sept 2007</p>	<p>Head of HR will liaise with the Strategic Procurement Manager to ensure that contractors will itemise in detail all travel and subsistence claims incurred where these form part of the contract, as part of their invoicing.</p> <p>Head of HR and the Strategic Procurement Manager will ensure that key managers are aware that this is required. Payment requests that do not comply with this approach will be rejected.</p>	<p>End of November 2007.</p>

CORPORATE GOVERNANCE IMPROVEMENT PLAN						APPENDIX 2
	Issue to address	Agreed corporate response	Responsible officer(s)	Agreed date	Progress	Revised date
1.	Regular review on the progress implementing this corporate response.	CMB to monitor on a monthly basis and report to Cabinet. Report to each Audit & Corporate Governance Committee meeting.	CMB DoR	Ongoing.	Review of progress with the action plan is now a standing item on the Corporate Management Board's agenda. The Audit & Corporate Governance Committee is receiving an update at each meeting. Cabinet will receive its first formal report at the end of November.	Ongoing.
2.	Ensure the corporate response to the travel and expenses audit review is implemented effectively and to timescale.	CMB to consolidate the corporate responses to the travel and subsistence review and the corporate response to this report into one action plan.	DoR MO	See Appendix 1.	See Appendix 1. Continuing to manage separately for the time being to ensure the integrity of the audit trail.	See Appendix 1.
3.	Establish the cost of existing ICT and Customer Services operations and future investment needs to be urgently concluded to inform the Performance Improvement Cycle.	Director of C&CS to lead with support from Financial Services.	DC&CS HoFS	30.09.07	See the DC&CS' report.	See the DC&CS' report.
4.	Establish permanent managerial arrangements for ICT and Customer Services.	CMB to discuss and agree proposals from DC&CS.	DC&CS CMB	October 2007	See the DC&CS' report.	See the DC&CS' report.

5.	Review approach to and arrangements for the delivery of project management services. All post implementation reviews must include a technical and financial appraisal.	CMB to discuss and agree proposals from DC&CS.	DC&CS CMB	October 2007	See the DC&CS' report.	See the DC&CS' report.
6.	Review of the financial and legal elements of the Council's constitution to ensure clarity and consistency.	Working group to carry out a review and make recommendations in the first instance to CMB. Need to report to Audit and Corporate Governance Committee and other appropriate decision-making and scrutiny functions prior to being agreed at Council.	DoR HoLDS HoFS CIA HoBES HoHT	Council in November 2007	See paragraphs 5 to 13 inclusive of the main body of the report which describe the process that was agreed subsequent to Cabinet agreeing the action plan on 20 th September 2007. Further review to be carried out by the Audit & Corporate Governance Committee and the Standards Committee.	February 2008.
7.	Council's Constitution and Financial Regulations to be reviewed to ensure the requirement to secure financial and legal advice on all formal reports is explicit.	CMB to insist on the highest standard in all aspects of report writing, including financial and legal implications. CMB to ensure there are no exceptions to the policy of all formal reports being cleared by the Head of Paid Services, the Monitoring Officer and the Section 151 Officer.	All report authors	Council in November 2007	See paragraphs 5 to 13 inclusive of the main body of the report. The revised elements of the Constitution presented to Council on 2 nd November 2007 make officers' responsibilities for securing the advice of the three Statutory Officers explicit.	February 2008.

8.	Audit Services and the Monitoring Officer need to be granted access to staff, records and feeder systems if required to fulfil their statutory obligations.	Incorporate into the review of the Constitution. Re-affirm current provision in the Council's Constitution on audit access.	DoR HoLDS HoFS CIA HoBES HoHT	Council in November 2007	The revised elements of the Constitution presented to Council on 2 nd November 2007 make officers' responsibilities for granting access to external and internal audit explicit.	February 2008.
9.	Improve the quality of working papers/files recording business activity.	Guidance on the standards of record keeping needs to be devised.	Information Manager CIA	December 2007	The Information Manager and Chief Internal Auditor shall prepare guidance for staff to meet the agreed date.	December 2007
10.	Improve standards of internal control for fundamental systems.	Minimum acceptable standard is satisfactory – this is a non-negotiable.	CMB HoHR CIA	Allow 3 months' notice	Effective date is 1 st January 2008. All members of CMB know the required standard for fundamental systems.	January 2008
11.	Improving financial governance in ICT and Customer Services.	DC&CS to implement agreed action plans for the FMS system in ICT, travel and expenses and use of contractors audit reviews.	DC&CS DoR	January 2008	See the DC&CS' report.	See the DC&CS' report.
12.	Complete work in progress on internal recharging mechanisms to the agreed timetable.	Actions identified and agreed in a report to CMB on 16th August from the SMT SLA working group.	Anne Heath, Chair of SMT SLA Working Group, reporting to CMB.	March 2008	The Head of Financial Services is a member of the Senior Management Team Service Level Agreement (SLA) Working Group. His progress report on behalf of the SLA Working Group is that agreement was reached on 18 th October to operate a pilot project within the Environment Directorate. The outcome of the pilot will inform a new model for SLAs for the whole Council to be implemented from 1 st April 2008.	March 2008.

13.	All financial administration and financial management resources transfer to the Resources Directorate as soon as practical.	Identification and planning for transfer of resources to be considered by the ISS Board with exceptions reported to the Herefordshire Connects Programme Board for decision.	HoFS HoBES	March 2008	<p>All currently identified financial administration and financial management support has now been transferred to the Resources Directorate.</p> <p>Further transfers may be appropriate as the Herefordshire Connects programme rolls out. The Integrated Support Services (ISS) Board will consider these in the first instance, reporting to the Herefordshire Connects Programme Board as appropriate in line with the governance arrangements established for the transformation programme. The Head of Financial Services and the Head of Benefit & Exchequer Services are both members of the ISS Board.</p> <p>The Audit & Corporate Governance Committee has asked to be kept informed of any transfers of financial administration or financial management resources within the Council.</p>	Completed November 2007
14.	Ensuring members receive complete advice from the Monitoring Officer and S.151 Officer on the legal implications and financial implications of all policy proposals.	Liaison meetings with the Leader to include the Monitoring Officer and S.151 Officer to be diarised at no more than quarterly intervals.	Chief Executive DoR MO / HoLDS	Immediate effect	<p>See paragraphs 5 to 13 inclusive of the main body of the report.</p> <p>The revised elements of the Constitution presented to Council on 2nd November 2007 make officers' responsibilities for securing the advice of the three Statutory Officers explicit.</p> <p>The requirement for report authors to consult with the Statutory Officers in good time is being enforced with reports being delayed if appropriate.</p>	Ongoing.

15.	Promote compliance with corporate financial governance arrangements by reviewing management practices and accountabilities.	Make compliance with corporate financial arrangements a non-negotiable. CMB to carry out immediate checks on contracting arrangements and authorised signatory lists.	CMB HoHR	Immediate effect	Members of the Corporate Management Board have been advised and reminded to review their arrangements to ensure compliance with agreed policies and procedures in advance of planned internal audit review.	Ongoing.
16.	Enhance Key Manager's financial skills and knowledge of the Council's approved corporate governance framework, ensuring the message is constantly reinforced through effective training.	Make attendance on training courses a pre-requisite to getting a "licence to practise" as a manager. Attendance at refresher training courses will also be mandatory.	HoHR HoFS MO CIA	Immediate effect	Financial Services delivers a corporate training programme consisting of two courses. The first course held following the Director of Resources' special report took place on 30 th October 2007 and it covered the key concerns identified in that report. The training programme is being revised to contain an additional level. ICT & Customer Services have requested a specially tailored training event that is planned for December 2007.	
17.	Ensure all capital and revenue budget proposals are identified through agreed service and financial planning processes.	Ensure in-year budget proposals are only brought forward in exceptional circumstances.	CMB	Immediate effect	All revenue budget proposals for 2008/09 and beyond have been identified through the Performance Improvement Cycle. All capital budget proposals for 2008/09 and beyond are to be identified through the agreed capital planning process. All revenue and capital proposals that arise outside these planning processes are to be prepared and agreed in line with the Council's financial procedures.	Ongoing.

18.	Enhance Audit Services' capacity.	CMB to agree restructure proposals identified during the PIC process costing £45k. This can be met from the existing base budget for the Resources Directorate.	CMB DoR	Immediate effect	Employees and employee representatives have been consulted on the restructuring proposals. No significant issues have been raised. Job Descriptions / Person Specifications are being redrafted with a view to completing the change management process and recruiting staff by February 2008. The restructuring is being managed in line with the Council's HR policies and procedures for management change at work.	February 2008
19.	Enhance strategic procurement capacity to ensure compliance with the Council's contracting policies and procedures.	CMB to agree additional resources to centralise monitoring of contract procedures within Resources. This can be met from the existing base budget for the Resources Directorate.	CMB DoR	Immediate effect	Procurement posts across the authority have been identified with a view to bringing their line management arrangements within the remit of the Resources Directorate. Proposals are being developed for the Corporate Management Board to consider in December that will involve better use of existing employee resources with some additional investment in contract procedures monitoring. Consultation is underway with the Supporting People Team about a new structure that will include a procurement post. This post will report to the Strategic Procurement Manager who in turn reports to the Head of Financial Services.	December 2007
20.	Check that issues highlighted in ICT and Customer Services are not repeated elsewhere.	CMB needs to be prepared to respond quickly to Audit Services.	CMB	Immediate effect	A report elsewhere on this agenda highlights the significant level of ongoing unplanned internal audit activity on the financial governance issues in ICT & Customer Services. As soon as this work is complete, Audit Services will turn its attention to test checking financial governance arrangements in other parts of the Council. Anecdotally, officers do appear to be asking for more advice.	Ongoing.

21.	Ensure budget is in place before committing expenditure.	CMB to reinforce the message that Key Managers need to work closely with Financial Services colleagues to ensure all appropriate permissions to spend are in place before letting a contract.	All	Immediate effect	<p>There is some evidence that managers are more aware of the need to work closely with Financial Services before they enter into commitments.</p> <p>Once approved, the revisions to the financial governance elements of the Council's Constitution will reinforce this message, as will the extended financial management training provision.</p>	Ongoing.
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CIA = Chief Internal Auditor
 DoR = Director of Resources
 HoLDS = Head of Legal and Democratic Services
 HoHR = Head of Human Resources
 HoPS = Head of Paid Services
 MO = Monitoring Officer

DC&CS = Director of Corporate & Customer Services
 HoFS = Head of Financial Services
 HoBES = Head of Benefit and Exchequer Services
 HoHT = Head of Highways & Transportation