



Audit and Standards Committee

Thursday, 23 January 2020 at 6.30 pm

Large & Small Committee Room, King George V House, King George V Road, Amersham

A G E N D A

Item

1 Evacuation Procedures

2 Apologies for Absence

3 Minutes (*Pages 3 - 8*)

To approve the minutes of the Audit and Standards Committee held on 16 October 2019.

4 Declarations of Interest

5 Standards Work Programme (*Pages 9 - 10*)

6 Interim Progress Report (*Pages 11 - 18*)

7 Section 106 Payments Update (*Pages 19 - 24*)

8 Audit Work Programme (*Pages 25 - 26*)

9 Exclusion of the Public (if required)

To resolve that under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item(s) of business on the grounds that it involves the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Act.

Note: All reports will be updated orally at the meeting if appropriate and may be supplemented by additional reports at the Chairman's discretion.

Membership: Audit and Standards Committee

Councillors: J Gladwin (Chairman)

A Bacon

C Ford

C Jackson

R J Jones

V Martin

D Phillips

N Varley

C Wertheim

E Jones (independent person)

C Langley (independent person)

Date of next meeting – Thursday, 12 March 2020

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CHILTERN DISTRICT COUNCIL

MINUTES of the Meeting of the
AUDIT AND STANDARDS COMMITTEE
held on **16 OCTOBER 2019**

PRESENT: Councillor: J Gladwin (Chairman)

Councillors: A Bacon
C Jackson
R J Jones
D Phillips
C Wertheim

Independent Member: E Jones

APOLOGIES FOR ABSENCE were received from Councillors C Ford, V Martin and N Varley

67 MINUTES

The Minutes of the meeting of the Audit and Standards Committee held on 16 July 2019 were approved by the Committee and signed by the Chairman as a correct record subject to it being made clear in apologies for absence that E Jones is an independent member and not a councillor.

68 DECLARATIONS OF INTEREST

There were no declarations of interest.

69 ANNUAL REVIEW OF CODE OF CONDUCT AND COMPLAINTS PROCEDURE

The Committee considered a report which considered whether the code of conduct and complaints procedures adopted by the Council in accordance with the Localism Act in 2011, remained fit for purpose.

The Committee was advised that the Code of Conduct, attached as Appendix 1, was first adopted by the Council in July 2012 and amended in February 2018 to include clarification that members who declare a personal interest may still speak and vote on the item of business concerned.

The Council's current Complaints Procedure was reviewed and revised by the Committee last January and was attached as Appendix 2. Members were advised that the Monitoring Officer has received one formal complaint in the current financial year which did not proceed past Stage 2. Members noted

that the Monitoring Officer was satisfied that the procedure remains fit for purpose.

RESOLVED

That the report be noted and no changes should be made to the Council's current code of conduct and complaints procedure.

70 COMMITTEE FOR STANDARDS IN PUBLIC LIFE ANNUAL REPORT

The Committee considered the Committee on Standards in Public Life (CSPL) Annual Report for 2018-19.

The CSPL is an independent advisory, non-departmental body which advises the Prime Minister on ethical standards across the whole of public life in England. It monitors and reports on issues relating to the standards of conduct of all public office holders including members of local authorities. The CSPL publishes an annual report and an extract from its 2018 -19 report was attached as an appendix. This contained the Foreword by the Chairman, an overview of work undertaken during the year and the Committee's current work plan.

RESOLVED

That the report be noted.

71 STANDARDS WORK PROGRAMME

The Committee received the Standards Work Programme. A question was raised by Elizabeth Jones (Independent Person) as to whether independent persons would be consulted with on the drafting of the new Code of Conduct and complaints procedures for Buckinghamshire Council. Edwina Adefehinti, Locum Corporate Solicitor & Deputy Monitoring Officer, explained that she believed that independent persons would be consulted with but that she would check this with the Monitoring Officer and would let Elizabeth Jones know the Monitoring Officer's response via email.

RESOLVED

That the Standards Work Programme be agreed.

72 ANNUAL FRAUD REPORT 2018-19

The Committee considered a report which detailed the anti-fraud and error reduction activity undertaken in 2018/19 in relation to Housing Benefit, Council Tax and Housing. The Revenues Fraud and Error Reduction Team are responsible for carrying out anti-fraud activity in relation to Housing Benefit and Local Council Tax Support. The Team also provide assistance to Internal Audit, and all other service areas providing the main resource for fraud and irregularity matters.

The Committee noted that South Bucks District Council in 2018/19 had awarded £14,532,903 in Housing Benefit rather than £14,352,903 as was stated in the report.

In the discussion which followed, the Committee were advised that the Fraud Team maintains close links with Paradigm Housing Association and provides investigative assistance with tenancy fraud issues. Two cases were referred for investigation, following which Paradigm recovered two tenancies.

RESOLVED

That the report be noted.

73 INTERNAL AUDIT COMPARISON REPORT - 16 OCTOBER 2019

The Committee considered a report which provided a comparison of assurance levels over time so that any trends or measures which may have impacted upon the control framework at the Council could be identified.

Members were advised that whilst the assurance level for the waste services – health and safety audit was 'limited' in 2017/18, things had improved and that the area will be audited again in January 2020.

Following a query as to what will happen to internal audit work following the establishment of the new Buckinghamshire Council, the Director of Resources explained that any outstanding audit recommendations would be part of the handover arrangements to the new Council's auditors. TIAA were working to get all draft reports finalised by the end of March 2020.

RESOLVED

That the report be noted

74 INTERNAL AUDIT PROGRESS REPORT

The Committee received the Internal Audit progress report from TIAA which showed the progress of audits since the previous meeting.

The Committee noted that no emerging risks has been identified which could impact on the overall effectiveness of the governance, risk and internal control framework of the Council. There had not been any Priority 1 recommendations made since the previous Progress Report.

With regards to the Contractor Health & Safety audit, the Committee were advised that a report would be coming to the next Audit and Standards Committee.

In relation to the Housing Section 106 audit recommendations, the Planning Enforcement Manager advised that the Council had appointed a Section 106 Officer who specialised in CIL and that the Section 106 master spreadsheets were being updated regularly. The Director of Resources suggested that room be made on the internal audit programme to follow up on the issues raised in the original audit and that the outcome of this be reported to the Committee along with an update on Section 106 outstanding payments.

RESOLVED

That the report be noted and that an update report on Section 106 outstanding payments be submitted to the next meeting of the Committee.

75 UNDERSTANDING HOW THE AUDIT & STANDARDS COMMITTEE GAINS ASSURANCE FROM MANAGEMENT

To consider the response to the External Auditor's request for information on how the Audit & Standards Committee gains assurance from Management.

Auditing standards require the Council's auditors (Ernst & Young) to formally update their understanding of Chiltern's management processes at least annually. As part of this they formally request that the section 151 officer (the Director of Resources), the Monitoring Officer (Head of Legal & Democratic Services), and the chair of the Audit & Standards Committee provide written responses to various questions about the Council's management processes. The formal request to the Chairman of the Audit & Standards Committee was included as Appendix 1 and the proposed response was included as Appendix 2.

RESOLVED

That the proposed response to the External Auditor's letter, as set out in Appendix 2, requesting information on how the Audit & Standards Committee gains assurance from Management be agreed.

76 2018/19 STATEMENT OF ACCOUNTS

Members received a report which presented the Statement of Accounts for 2018/19, which could be seen at Appendix 1 on pages 103-182 of the agenda pack. Note 9, Property Plant and Equipment, of the Financial Statement 2018/19 had been amended to reflect the figures in the main statements and was tabled at the meeting (see supplementary). The changes were to the classification of revaluation costs and depreciation for land & buildings and had no effect on the net book value at 31 March 2019.

Some of the key points raised on the Statement of Accounts were as follows:

- The net cost of services for the year was £21,366,000, income from Council Tax was £11,161,000, and income from business rates was £1,822,000.
- The General Fund Balance reduced by £215,000 to £6,432,000 and earmarked reserves had reduced by £1,006,000 to £11,525,000.
- The key movement in the Council's unusable reserves were as follows:
 - The Revaluation Reserve decreased by £1,202,000. This is due to the downwards revaluation of the Amersham multi storey car park.
 - The Pension deficit reduced by £915,000. The accumulated estimated pension fund deficit was now at £43,700,000.
- Total capital expenditure for the year amounted to £8,059,000 which was financed from capital receipts, Government grants and contributions.

In the discussion which followed, Members were advised that a revaluation of the Amersham multi storey car park had been carried out in September 2019 and that the Council's external auditors still needed to confirm the revised valuation. The valuation of the car park was now £8,140,000 compared to the previous valuation which was £6,399,600.

With regards to what would happen to the Council's reserves post the establishment of the new Buckinghamshire Council from 1 April 2020, the Director of Resources explained that as part of the budget setting process, the new authority will decide what reserves should be earmarked for the new authority.

The Committee and the Head of Finance thanked the Finance Team for their hard work in preparing the accounts.

RESOLVED

That the final 2018/19 Statement of Accounts be approved subject to the Council's external auditors (Ernst and Young) confirming the revised valuation, carried out in September 2019, of the Amersham multi storey car park and that delegated authority be given to the Chairman of the Audit and Standards Committee and the Director of Resources to sign the Statement of Accounts in accordance with the Accounts and Audit Regulations.

77 ERNST AND YOUNG 2018/19 ACCOUNTS AUDIT REPORT

Members considered the Annual Results Report from external auditors Ernst & Young (EY). The executive summary covered the key areas and the Committee was pleased to be informed that subject to the satisfactory completion of the outstanding items set out in appendix B of the audit report, EY expected to issue an unqualified opinion on the Authority's financial statements and that no significant issues had been discovered.

The Committee noted that with regards to the revaluation of Amersham multi-storey car park carried out in September 2019, EY still needed to verify the accounting and valuation assumptions made as part of that valuation.

EY thanked the Finance Team for their hard work and assistance in dealing with queries.

RESOLVED

That the report be noted.

78 AUDIT COMMITTEE WORK PROGRAMME

RESOLVED

That the work programme for the Audit Committee be agreed.

The meeting ended at 7.45 pm

CHILTERN DISTRICT COUNCIL

AUDIT & STANDARDS COMMITTEE

STANDARDS WORK PROGRAMME

2019/2020

		2019		2020	
	Contact	16.07.19	16.10.19	23.01.20	12.03.20
16.07.19					
<ul style="list-style-type: none"> Complaints Monitoring Report 2018/19 	Joanna Swift	X			
<ul style="list-style-type: none"> Code of Conduct and complaints procedures for Buckinghamshire Council as a Shadow Authority 	Joanna Swift	X			
16.10.19					
<ul style="list-style-type: none"> Annual Review of Code of Conduct and Complaints Procedure 	Joanna Swift		X		
<ul style="list-style-type: none"> Committee on Standards in Public Life Annual Report 	Joanna Swift		X		
23.01.20					
<ul style="list-style-type: none"> Proposed Code of Conduct and complaints procedures for Buckinghamshire Council 	Joanna Swift			X	
12.03.20					
<ul style="list-style-type: none"> Code of Conduct and complaints procedure for Buckinghamshire Council 	Joanna Swift				X
<ul style="list-style-type: none"> Complaints Monitoring Report 2019/20 	Joanna Swift				X

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Internal Audit Progress Report 2019/20

Audit and Standards Committee –

23 January 2020

FINAL

2019/20

January 2020

Item 6

INTRODUCTION

1. This summary report provides the Audit Committee with an update on the progress of our work at Chiltern and South Bucks District Councils as at 12 December 2019.

PROGRESS AGAINST THE 2019/20 ANNUAL PLAN

2. Our progress against the Annual Plan for 2019 -20 is set out in Appendix A. The results of finalised audits for 2019/20 with Priority 1 or 2 recommendations are shown at Appendix B.

EMERGING GOVERNANCE, RISK AND INTERNAL CONTROL RELATED ISSUES

3. We have identified no emerging risks which could impact on the overall effectiveness of the governance, risk and internal control framework of the organisation.

AUDITS COMPLETED SINCE THE LAST REPORT TO COMMITTEE

4. The table below sets out details of audits finalised since the previous meeting of the Audit and Standards Committee on 16 October 2019.

Review	Evaluation	Key Dates			Number of Recommendations			
		Draft issued	Responses Received	Final issued	1	2	3	OE
<u>2019/20 Audit Reports</u>								
Performance Management/Efficient Working	Substantial	24/0919	15/10/19	16/10/19	-	-	1	-
Information Governance/ Data Quality	Reasonable	19/11/19	27/11/19	28/11/19	-	1	2	-
Expenses	Reasonable	14/10/19	18/10/19	21/10/19	-	-	3	-
Main Accounting	Substantial	21/11/19	04/12/19	06/12/19	-	-	-	1
Accounts Payable	Substantial	03/12/19	03/12/19	05/12/19	-	-	1	-
Accounts Receivable	Substantial	03/12/19	03/12/19	05/12/19	-	-	1	1

Housing Benefits & Council Tax Support	Substantial	23/09/19	26/09/19	01/10/19	-	-	1	-
Council Tax and NDR	Substantial	08/10/19	14/10/19	15/10/19	-	-	2	-
Crematorium – Annual Internal Audit	Reasonable	10/10/19	04/11/19	05/11/19	-	1	2	-

*OEM = Operational Effectiveness Matters (these are good practice suggestions that have arisen during the audit)

Copies of the finalised reports (recommendations only) where priority one or two recommendations have been made are attached at Appendix B.

CHANGES TO THE ANNUAL PLAN 2019/20

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6. The following changes have been made to the Annual Internal Audit Plan for 2019/20:
 - 1) Delete Equalities – 8 days (Audit not a priority in 2019/20)
 - 2) Add Contractor Health and Safety audit – 8 days
 - 3) Delete Governance – 8 days (Audit not required as Council will not exist beyond 31 March 2020)
 - 4) Delete Crematorium – Additional Audit – 6 days

FRAUDS/IRREGULARITIES

7. We have not been advised of any frauds or irregularities in the period since the last summary report was issued.

LIAISON

8. We liaise with EY and provide reports and working paper files, as required.
We have regular client meetings with the Audit, Fraud and Error Reduction Manager and Head of Finance.

Item 6

PROGRESS ACTIONING PRIORITY 1 RECOMMENDATIONS

9. We have not made any Priority 1 recommendations (i.e. fundamental control issue on which action should be taken immediately) since the previous Progress Report

RISK MANAGEMENT

10. The Audit Director with TIAA and the Councils Audit, Fraud & Error Reduction Manager meet on a regular basis to discuss and action Risk Management matters for both Councils.

The current Risk Procedures/Guidance for Risk Management is being reviewed and progress is being made to display appropriate information on Risk Management throughout both Councils. This will include posters on all notice boards at the main civic offices for South Bucks and Chiltern Councils, as well as data on the Councils intranet.

Appropriate training has been developed and is been delivered to all middle managers. The latest training has been given to managers during October 2019.

RESPONSIBILITY/DISCLAIMER

11. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. The matters raised in this report not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Progress against the Annual Plan for 2019/20

System	Planned Quarter	Days	Current Status	Comments
Governance	3	0(8)		Audit cancelled
Complaints and Compliments	2	6	Draft report issued 20 November 2019	
Performance Management/Efficient Working	1	8	Final report issued 16 October 2019	
Contracts - Novation	1	9		This will be a Quarter 4 audit
Information Governance/Data Quality	3	8	Final report issued 28 November 2019	
Subject Access Requests	2	8	Draft report issued 11 September 2019	
Emergency Planning	2	8	Draft report issued 24 October 2019	
Health and Safety – Internal Arrangements	2	7		This will be a Quarter 4 audit
Purchase Cards	1	8	Final report issued 18 September 2019	
Expenses	1	8	Final report issued 21 October 2019	
Main Accounting	3	7	Final report issued 6 December 2019	
Payroll	3	11	In progress	
Accounts Receivable (Debtors)	3	8	Final report issued 5 December 2019	
Accounts Payable (Creditors)	3	8	Final report issued 5 December 2019	
Benefits and Council Tax Support	1	13	CDC – final report issued 15 July 2019. SBDC–final report issued 1 October 2019	
Council Tax and NDR	1	25	CDC – final report issued 9 August 2019. SBDC – final report issued 15 October 2019	
Cash and Bank	3	7		Start date 19 December 2019

System	Planned Quarter	Days	Current Status	Comments
Treasury Management	3	7	In progress	
ICT – Annual Network Audit	2	6	Final report issued 9 July 2019	
ICT – Network Infrastructure	2	6	Final report issued 9 July 2019	
ICT – Information Management	2	6	Final report issued 30 August 2019	
Housing Allocations and Homelessness/Temp Accommodation	2	8	In progress	Draft report being prepared
Disabilities Facilities Grant	1	5	Final report issued 1 July 2019	
Leisure Contract	2	8	In progress	
Waste services (Chiltern, Wycombe and South Bucks)	2	11		This will be a Quarter 4 audit
Car Parking	2	7	Final report issued 10 September 2019	
Commercial Rents/debt recovery	1	8	In progress	
Equalities	3	0(8)		Audit Cancelled
Contractor Health & Safety audit	3	8	Draft report issued 19 November 2019	
Risk Management Assistance	1-4	15	All work complete for 2019 20	This provides risk management assistance to officers throughout the year including risk workshops
<u>Crematorium</u>				
Annual Internal Audit	1	6	Final report issued 5 November 2019	
Additional Audit	1	6		Audit Cancelled

KEY:

	=	To be commenced
	=	Site work commenced
	=	Draft report issued
	=	Final report issued

Recommendations – Priority 1 and 2 Only

Audit Report: Information Governance
Report Issued: 28 November 2019

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
3	Compliance	A sample of three Asset Registers were reviewed. In two cases the Asset Registers had not been recently reviewed, and in the third case inaccuracies were noted for the data recorded on the register. In addition, it was noted that there were inconsistencies in the way that information was being captured. By way of example, in relation to specifying the Information Asset Owner, in some cases a particular job title was specified whereas in other cases a general department name was specified. In addition, when specifying the review date, in some cases this was recorded as the date of review for each individual information asset, and in some cases this was recorded as the last review date of the asset register as a whole.	Action be taken to ensure that all Asset Registers are reviewed / updated at the earliest opportunity, with further guidance provided where necessary to ensure these are being fully and accurately completed.	2	<p><i>All asset registers should be reviewed at least annually by their owners and also when any changes are made to that asset in how its processed/shared/stored etc are changed.</i></p> <p><i>Whilst business support can facilitate communications and provide advice and guidance where required it is the responsibility of the heads of service to ensure their areas are keeping their asset registers updated.</i></p>	<p><i>Reminder communication to be sent by/on behalf of SIRO by 6/12/2019</i></p> <p><i>Asset Registers to be updated by service areas by 31/01/2020</i></p>	<p>SIRO</p> <p>Heads of Service</p>

Audit Report: Crematorium
Report Issued: 5 November 2019

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
2	Directed	Risk assessments are in place for both operational issues and health and safety risks. Risk assessments are due to be reviewed on an annual basis; it was advised that the most recent risk assessments had been carried out in 2018, and it was acknowledged that these required review, with further specific risk assessments required for the new Bierton Crematorium. In addition to the risk assessments, it was noted that a Health and Safety Manual for the Chilterns Crematorium and Grounds Maintenance had recently been reviewed in August 2019, however this also requires review to ensure that specific details relating to the Bierton Crematorium are also captured.	Risk assessments and the Health & Safety manual be reviewed and updated, particularly in relation to the new Bierton Crematorium.	2	<i>The risk assessments and health and safety manual have been reviewed. Some risks relating specifically to Bierton are already included but others are still to be added.</i>	31/12/2019	CGH

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SUBJECT:	<i>Section 106 Financial Report</i>
REPORT OF:	<i>Councillor Peter Martin, Portfolio Holder for Planning & Economic Development, Chiltern District Council</i>
RESPONSIBLE OFFICER	<i>Cathy Gallagher, Interim Head of Planning & Economic Development</i>
REPORT AUTHOR	<i>Darran Eggleton / Minnie Ngaluafe</i>
WARD/S AFFECTED	<i>All</i>

1. Summary

- 1.1 This report seeks to provide clarity about the Councils' position in relation to financial contributions required by section 106 planning agreements. The report sets out the current financial status of developer contributions including monies collected, money outstanding, and the claw back options for outstanding payments.
- 1.2 The report reiterates the importance of section 106 agreements as an important revenue stream and to enable the Council to ensure developers make financial contributions to the district and county wide infrastructure and services.
- 1.3 The report provides an account update on:
- Financial contributions received in the last 3 financial years,
 - Financial contributions that are not yet due to be paid (trigger date not yet passed)
 - Overdue contributions (ie. trigger date has passed but no payment made) and what actions the Council has taken to retrieve the contributions.

RECOMMENDATION

To note the report.

2. Purpose of Report

- 2.1 To update Members and clarify the overall status of S106 financial obligations and to provide a transparent account on the financial status of section 106 agreements with a summary of financial sums received, due and overdue, and what actions are being taken to collect overdue sums. Furthermore, the report highlights that actions are taken to tighten the monitoring process.

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3. Content of Report

Background

- 3.1 Planning obligations under Section 106 of the Town and Country Planning Act 1990 are commonly known as S106 agreements. They provide a formal legal mechanism to secure measures that help make development proposals acceptable in planning terms.
- 3.2 Under S106 agreements developers and landowners are legally obliged to make the required financial contributions. The agreement sets out obligations laid on the developer in terms of what contributions are to be made and at what stage of the development those payments are to be made. For the Council, the agreement sets out what the financial contribution is to be spent on and the timeframe for when the obligation is to be made.
- 3.3 Under s106 agreements, developers are normally required to notify the Council when they reach key stages of a development and in response, where these stages trigger a financial obligation, the Council will invoice for the due amount (indexed linked) and where late payment is involved, to secure late payment.
- 3.4 The signing of an agreement does not guarantee the funds. As S106 agreements are to mitigate impacts of development, they are only paid if a development occurs and the triggers have been reached. A proportion of planning permissions are never implemented. As a result, a proportion of expected contributions agreed never come to fruition. Where a development does proceed, contributions will be paid at key stages such as a certain level of occupation, commencement and completion.

Monitoring process – past and present

- 3.5 Historically the Council has not had a central system for monitoring S106 agreements. However, there are a number of different teams involved in the S106s process such as Planning, Housing, Finance, Land Charges and Legal Services. Primarily, the monitoring of s106 planning obligations sits within Planning, which involves record keeping, liaising with developers/applicants and recording the receipts of financial obligations. Housing and Finance in relation to financial obligations also maintain their own records.
- 3.6 Section 106 agreements are monitored by the Planning department with responsibility for the monitoring and collection of the financial contributions sitting with the Planning Enforcement team.
- 3.7 In October 2019, the Council employed an Officer with direct responsibility for monitoring and enforcement of section 106 agreements. Since then the Enforcement team has put in place a procedural manual for the monitoring of S106 planning obligations, compliance enquiries and the collection of outstanding financial contributions.
- 3.8 Some of the measures that are now in place for monitoring of s106 for both Chiltern District Council and South Bucks District Councils are listed below; however, it is

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acknowledged that work is still required to strengthen this and ensure a robust and transparent system is in place, to reduce the risk of not capturing the trigger dates and collecting financial obligations on time.

- Procedural process with step by step guide, formalising the monitoring of s106s
- Consolidate and reconcile the records held by different departments, Finance, Housing Legal so there is a centralised monitoring spreadsheet maintained by the Enforcement Team for the two districts with the aim that it will be accessible to Finance and Housing.
- Proactively work with the departments involved in s106 such as Finance, Housing, Legal Services, Building Control
- Where there were discrepancies between records held by Finance, Housing and Planning, to verify the actual position.
- Agree with Finance on a procedure of raising invoices and sharing of information
- Establish a recovery collection process, see 3.9.1 for details.
- Interrogating internal monthly reports from Building Control to identify when development has commenced.

3.9 For information, the invoicing process for section 106 payments is a 3 stage process.

Stage 1 CDC calculates the invoice value (including indexation, fees & any fines) and send draft value to the developer

Stage 2 Developer to agree the invoice value.

Stage 3 invoice raised and issued

3.10 The Council's follow-up process is automatically instigated once the debt is 30 working days old from the statement date, and the first statement reminder notice is issued when the debt is 44 working days overdue. Once the debt becomes 52 working days overdue, the officer issuing the statement, in liaison with the Service Head, should decide on the next step.

For payments that are not overdue; payment days as follows:

- 30 days to make payment
- 14 days for first reminder if remain unpaid
- 7 days to pay with second reminder

For payments that are overdue:

- 14 days to pay
- 7 days to pay if a reminder is sent.

3.11 As of 1 September 2019, the amendments to The Community Infrastructure Levy Regulations (CIL) 2010 removed the pooling mechanism that restricted the number of contributions from section 106 agreements to just 5 per infrastructure project or type. Local planning authorities are now permitted to collect more than five contributions to fund the same infrastructure.

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4.0 **Contributions summary**

4.1 Table 1 below provides an overview of the S106 financial contributions received over the past 4 years together with the payments due but not triggered as well as those which are overdue. A breakdown of the due and overdue payments can be found at further below together with a narrative.

Table 1 – Overview of s106 contributions ‘received’, ‘due’ and ‘overdue’.

	Received				Due but not triggered	Overdue
	2016/17	2017/18	2018/19	2019-date		
CDC	£178,833.00	£450,755.78	£132,143.00	£189,815.15	£259,618.00	£25,000

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4.2 Chiltern District Council’s Section 106 financial obligations predominantly relate to affordable housing contributions. It should be noted that unlike South Bucks District Council, CDC does not seek affordable housing contribution fees. It should also be noted that financial contributions for other infrastructure such as education, highways, and open space to name a few are rare. As such, the financial tables for Chiltern are affordable housing contributions only.

4.3 Table 2 below provides the financial summary for the last 4 financial years. It should be taken into consideration that some developments may not necessarily get built out in which case there will be no financial contributions. Additionally, to take into account that some developments can take longer to build out and the trigger dates, when payments are due, are at different stages of the development. To give an example, payments may be due at commencement, completion, first or second anniversary of the date of commencement.

Table 2: Receipts for CDC in the last 3 financial year

Financial Year	Received
2019 to date	£189,815.15
2018/2019	£132,143.00
2017/2018	£450,755.78
2016/2017	£178,833.00
Total	£951,546.93

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Table 3: Amount due but not yet triggered – CDC

Amount due	Obligation	Due Date	Note/Action	Site
£209,618	Affordable Housing contribution	April 2020 – see note	The trigger date is 2 nd anniversary of commencement	117 High Street, GM – Former Police Station 2016/2408/FA
£50,000	Affordable Housing contribution	Upon Completion	Actively working with developer and various departments to establish completion.	Woodchester, Knotty Green CH/2016/0914
		Total Amount due	£259,618.00	

Table 4: Amount overdue for CDC

Amount Overdue	Planning Obligation	Note/Action	Site
£25,000	Affordable Housing contribution	Stage 1 of invoice process complete. Actively pursuing Developer in relation to the calculation of indexed linked before an invoice is raised.	Newbury House, Knottocks Drive, Beaconsfield. CH/2015/2062
		Total Amount overdue	£25,000

5. Corporate Implications

Financial

The District growth requires additional and improved community infrastructure. Financial contributions received from S106 agreements are used to support a range of environmental improvements, physical infrastructure and affordable housing. It is therefore important to have a robust S106 monitoring system ensuring the availability of capital from S106 agreements, and that those contributions are collected and spent effectively for their intended purpose.

Legal

The new CIL Regulation 2019 introduces a new reporting requirement that all receiving authorities will now have to provide infrastructure funding statements to be published once a year, the first of which is due by 31 December 2020. The Infrastructure Funding Statement report is to detail s106 financial and non-financial obligations which may also include details of section 278 agreements.

Links to Council Policy Objectives

The section 106 monies contribute to our objective to invest in the district's future by creating the right conditions for economic growth so that businesses, residents and workers can prosper by directly addressing matters in our control that fetter growth, such as housing supply and provision of affordable housing.

Chiltern District Council
Audit and Standards Committee- 23 January 2020

Background	<ol style="list-style-type: none">1. S106 Monitoring Spreadsheet2. Record held by Finance3. Housing s106 spreadsheet
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CDC AUDIT COMMITTEE WORK PROGRAMME

Classification: OFFICIAL

Topic	23 Jan 20	13 Mar 20
Assurance Statements		
Annual Governance Report		
Internal Audit		
Interim Progress Reports		
Annual Internal Audit Report		
External Audit		
Certification of Claims & Returns Annual Report		
Other		
Work Programme		

