



DEMOCRATIC AND ELECTORAL SERVICES

Dealt with by: Democratic Services	Switchboard:	01895 837200
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Date: 9 March 2016	Direct Line:	01895 837225/837227

Dear Councillor

AUDIT COMMITTEE

The next meeting of the Audit Committee will be held as follows:

DATE: **THURSDAY, 17TH MARCH, 2016**

TIME: **6.00 PM**

VENUE: **ROOM 6, CAPSWOOD, OXFORD ROAD, DENHAM**

Only apologies for absence received prior to the meeting will be recorded.

Yours faithfully

Jim Burness

Director of Resources

To: The Audit Committee

Mr Bradford
 Mr D Smith
 Mrs Gibbs
 Mr Hogan
 Mr Hollis
 Mr Sangster

Audio/Visual Recording of Meetings

Please note: This meeting might be filmed, photographed, audio-recorded or reported by a party other than South Bucks District Council for subsequent broadcast or publication.

If you intend to film, photograph or audio record the proceedings or if you have any questions please contact the Democratic Services Officer (members of the press please contact the Communications Officer).

Declarations of Interest

Any Member attending the meeting is reminded of the requirement to declare if he/she has a personal interest in any item of business, as defined in the Code of Conduct. If that interest is a prejudicial interest as defined in the Code the Member should also withdraw from the meeting.

A G E N D A

	(Pages)
1. Apologies for absence	
2. Minutes	
To confirm the minutes of the meeting held on 21 January 2016.	(5 - 6)
3. Understanding how the Audit Committee gains assurance from Management	(7 - 8)
<i>Appendix 1</i>	(9 - 10)
<i>Appendix 2</i>	(11 - 14)
4. Internal Audit Progress Report	
To consider report of TIAA.	(15 - 24)
5. Internal Audit Annual Plan 2016/17 and Five Year Audit Strategy	(25 - 50)
6. Risk Management Update	(51 - 52)
<i>Appendix A</i>	(53 - 56)
7. Audit Committee Work Programme	
To receive the current work programme of the Audit Committee.	(57 - 58)
8. Draft Standards Work programme 2016/17	(59 - 60)
9. Review of Guidance on Dispensations	(61 - 62)
10. Update on Standards Framework	(63 - 64)
11. Any Other Business	
To consider any other business which the Chairman decides is urgent.	

The next meeting is due to take place on Thursday, 23 June 2016

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AUDIT COMMITTEE

Meeting - 21 January 2016

Present: Mr Bradford (Chairman)
Mr D Smith, Mrs Gibbs, Mr Hogan, Mr Hollis and Mr Sangster

40. MINUTES

The minutes of the meeting of the Committee held on 24 September 2015 were confirmed and signed by the Chairman.

41. ERNST & YOUNG VALUE FOR MONEY - CODE OF AUDIT PRACTICE 2015 PRESENTATION

The Committee received a PowerPoint presentation from Ernst and Young on the Value for Money Code of Audit Practice 2015, the overall criterion of which was to show that.

“In all significant respects, the audited body had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people”

The presentation went on to set out the following:

- Sub criteria and Proper Arrangement
- Auditor's Risk Assessment;
- Work Undertaken
- Qualified Conclusions

In response to a question the process for identifying risks and their impact, together with the way the Council was involved in this process through the Officer Risk Group, was highlighted.

42. ERNST & YOUNG CERTIFICATION OF CLAIMS AND RETURNS ANNUAL REPORT 2014/15

The Committee received from Ernst and Young the Certification of Claims and Returns Annual Report 2014-15.

Section 1 of the report outlined the results of the 2014-15 certification work and highlighted the significant issues. The Committee noted that, whilst errors had been found, they were minor and had been corrected resulting in the subsidy claim being increased by £179.

Section 2 of the report summarised the fees for the certification work and the Committee also noted that the fee for 2014/15 of £27860 would, in accordance with the Council's Revenue and Benefits contract, be met by Northgate whose help and professionalism in carrying out the work had been much appreciated by Ernst and Young.

43. INTERNAL AUDIT PROGRESS REPORT

The Committee considered an Internal Audit Progress Report from TIAA setting out amongst other things audits completed since the last meeting, progress against the Annual Plan for 2015/16 and changes to the Annual Plan 2015/16.

RESOLVED that the progress report be noted.

44. **AUDIT COMMITTEE WORK PROGRAMME**

The Committee received the Audit Committee Work Programme.

RESOLVED – that the Work Programme be noted.

45. **EXCLUSION OF PUBLIC**

That under Section 100A(4) of the Local Government Act 1974 the public be excluded from the meeting for the following item of business on the grounds it involves the likely disclosure of exempt information as defined in Part 1 of Schedule 12A to the Act

46. **INTERNAL AUDIT ARRANGEMENTS**

Paragraph 3 – Information relating to the financial or business affairs of any particular person.

The Committee considered a report setting out:

- The new proposed Audit Management Arrangements
- A proposal to extend the Internal Audit Contract which expires on 31 March 2017
- A proposal to establish Joint Internal Plans and Joint Internal Audit Progress Reports

During the discussion number of issues were clarified as follows;

- The rationale and benefits of increasing the management time within the Internal Audit Contract
- No additional costs would be incurred;
- The process for reviewing the Job Description
- The arrangements would be reviewed with a report back to the Committee after one year of operation

In agreeing the proposal to establish Joint Internal Audit Progress Reports the Committee supported the suggestion that the Reports submitted to the Audit Committees at both Council should contain a supplement to cover issues pertinent and of relevance to that Council.

RESOLVED that

1. the proposed Audit Management arrangements be noted.
2. the proposal to extend the Internal Audit Contract with TIAA for a two year period from 1st April 2017 to 31st March 2019 (as allowed under the existing Internal Audit contract with TIAA) be agreed.
3. a Joint Internal Audit Plan covering both CDC and SBDC be produced with effect from 1st April 2016.
4. that Joint Internal Audit Progress Reports be produced with effect from 1st April 2016 such reports to include a supplement as indicated above.

The meeting terminated at 7.10 pm

SUBJECT:	Understanding how the Audit Committee gains assurance from Management
REPORT OF:	Director of Resources - Jim Burness
RESPONSIBLE OFFICER	Head of Finance - Rodney Fincham
REPORT AUTHOR	Head of Finance - Rodney Fincham 01494 732260 rodney.fincham@southbucks.gov.uk
WARD/S AFFECTED	All

1. Purpose of Report

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

RECOMMENDATION

That the Audit Committee agrees the proposed response to the External Auditor's letter, requesting information on how the Audit Committee gains assurance from Management.

2. Report

- 2.1 Auditing standards require our external auditors (Ernst & Young) to formally update their understanding of South Bucks' management processes at least annually.
- 2.2 As part of this they formally request that both the section 151 officer (the Director of Resources), and the chair of the Audit Committee provide written responses to various questions about the Council's management processes.
- 2.3 The formal request to the chair of the Audit Committee is included as Appendix 1 and the proposed response is included as Appendix 2.
- 2.4 The Audit Committee is requested to review the letter and proposed response, and suggest any changes.

3. Next Step

- 3.1 Once agreed, the Chair of the Audit Committee will then be requested to sign the formal response.

Background Papers:	None
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Cllr Malcolm Bradford
South Bucks District Council
Capswood
Oxford Road
Denham
Bucks
UB9 4LH

28 January 2016

Ref: SBDC/TCWG
Your ref

Direct line 0118 928 1167

Email abrittain@uk.ey.com

Dear Councillor Bradford,

Understanding how the Audit Committee gains assurance from management

Auditing standards require us to formally update our understanding of your arrangements for oversight of management processes and arrangements annually. Therefore, I am writing to ask that you please provide a response to the following questions.

1. How does the Audit Committee, as 'those charged with governance' at the Authority, exercise oversight of management's processes in relation to:
 - ▶ undertaking an assessment of the risk that the financial statements may be materially misstated due to fraud or error (including the nature, extent and frequency of these assessments);
 - ▶ identifying and responding to risks of fraud in the Authority, including any specific risks of fraud which management have identified or that have been brought to its attention, or classes of transactions, account balances, or disclosure for which a risk of fraud is likely to exist;
 - ▶ communicating to employees its view on business practice and ethical behavior (for example by updating, communicating and monitoring against the Authority code of conduct);
 - ▶ encouraging employees to report their concerns about fraud; and
 - ▶ communicating to you the processes for identifying and responding to fraud or error?
2. How does the Audit Committee oversee management processes for identifying and responding to the risk of fraud and possible breaches of internal control?
3. Is the Committee aware of any:
 - ▶ breaches of, or deficiencies in, internal control; and
 - ▶ actual, suspected or alleged frauds during 2015/16?
4. Is the Committee aware any organisational or management pressure to meet financial or operating targets?



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5. How does the Audit Committee gain assurance that all relevant laws and regulations have been complied with? Are you aware of any instances of non-compliance during 2015/16?
6. Is the Audit Committee aware of any actual or potential litigation or claims that would affect the financial statements?
7. How does the Audit Committee satisfy itself that it is appropriate to adopt the going concern basis in preparing the financial statements?

Thank you for your assistance. If you have any queries in respect of this letter please contact Susan Gill, Audit Manager at sgill4@uk.ey.com

If possible, please could we have your response by 31 March 2016?

Yours sincerely

A handwritten signature in black ink, appearing to read 'Andrew Brittain', is written over a faint circular stamp.

Andrew Brittain
Executive Director
For and on behalf of Ernst & Young LLP
United Kingdom

King George V House, King George V Road,
Amersham, Buckinghamshire HP6 5AW



South Bucks
District Council

CHILTERN & SOUTH BUCKS DISTRICT

COUNCILS

Andrew Brittain
Executive Director
Ernst & Young LLP
Apex Plaza
Forbury Road
Reading
Berkshire
RG1 1YE

17 March 2016

Dear Andrew,

How the SBDC Audit Committee gains Assurance from Management

In reply to your letter dated 28th January 2016, I would provide the following responses.

1) How does the Audit Committee, as 'those charged with governance' at the Authority, exercise oversight of management's processes in relation to:

1a) Undertaking an assessment of the risk that the financial statements may be materially misstated due to fraud or error (including the nature, extent and frequency of these assessments);

When the annual Statement of Accounts is presented to the Audit Committee for approval, the accompanying report includes a section detailing Management's assessment of the risk of the Accounts being incorrect due to fraud or error, and the controls that mitigate against this risk.

The Audit Committee reviews the Accounts, and Members ask officers to explain items that are not clear or are unusual.

1b) Identifying and responding to risks of fraud in the Authority, including any specific risks of fraud which management have identified or that have been brought to its attention, or classes of transactions, account balances, or disclosure for which a risk of fraud is likely to exist;

The Audit Committee is aware that the Council has an Anti-Fraud, Bribery and Corruption Policy and has given the Director of Resources overall responsibility for investigation of fraud and corruption.

The Audit Committee receives an annual Corporate Fraud Report, as well as regular updates, and has the opportunity to question specific cases.

1c) Communicating to employees its view on business practice and ethical behaviour (for example by updating, communicating and monitoring against the Authority's code of conduct);

The Audit Committee is aware that the Council has the following policies for setting down its expectations of employees in their work

- Employee Code of Conduct
- Whistle blowing Policy
- Anti-Fraud, Bribery & Corruption Policy

Annually Internal Audit reviews the Council's Governance arrangements and would report any areas of concern to the Audit Committee.

1d) Encouraging employees to report their concerns about fraud; and

The Audit Committee is aware that the Council has a Whistle Blowing Policy which allows employees to report concerns to their line manager, the Internal Audit Manager, the Fraud and Compliance Manager, the Chief Executive, the Director of Resources, or the Leader of the Council. Anonymous allegations will also be considered.

Internal Audit reviews the Council's Anti-Fraud and Whistleblowing procedures and would report any areas of concern to the Audit Committee.

1e) Communicating to you the processes for identifying and responding to fraud or error?

The Audit Committee receives regular updates on frauds, as well as at least an annual Corporate Fraud Report.

The Audit Committee also receives all internal and external audit reports, and therefore would be made aware of any issues of fraud or material error highlighted from the work of audit.

2) How does the Audit Committee oversee management processes for identifying and responding to the risk of fraud and possible breaches of internal control?

The Audit Committee oversees the management process to identify and respond to such risks by:

- Overseeing the work of Internal Audit, including: approving the Audit Plan; receiving and reviewing Internal Audit Reports; and monitoring Management's progress with implementing audit recommendations.
- Receiving and reviewing External Audit reports.
- Carrying out an annual review of the effectiveness of the Authority's Governance Framework / system of internal control.

3a) Is the Committee aware of any breaches of, or deficiencies in internal control?

Internal Audit provides regular update reports to the Audit Committee and Internal audit have identified a number of areas where controls can be improved. However none of these is considered to be fundamental to the overall system of internal control.

3b) Is the Committee aware of any actual, suspected or alleged fraud during 2015/16?

Internal Audit provide regular update reports to the Audit Committee and apart from Housing Benefit claimant fraud, there have been no known issues during 2015/16.

4) Is the Committee aware of any organisational or management pressure to meet financial or operating targets?

SBDC strives to meet performance and financial targets. However we do not consider there to be any undue pressure.

The Authority is willing to accept performance and financial targets being missed.

Internal Audit reviews the Council's performance management framework and would report any areas of concern to the Audit Committee.

The Committee is aware that the current joint working with Chiltern District Council is resulting in a degree of pressure on staff.

5a) How does the Audit Committee gain assurance that all relevant laws and regulations have been complied with?

The Audit Committee gains assurance that all relevant laws and regulations have been complied with as:

- The Authority has a suitably qualified Acting Chief Executive who is supported by experienced Directors and Heads of Service.
- The Authority has a suitably qualified and experienced s151 Officer.
- The Authority has a suitably qualified and experienced Monitoring Officer.

And by:

- Overseeing the work of Internal Audit, including approving the Audit Plan and receiving and reviewing the Internal Audit Reports.
- Receiving and reviewing External Audit reports.
- Obtaining assurance as part of the annual review of the effectiveness of the Authority's Governance Framework / system of internal control.

5b) Are you aware of any instances of non-compliance during 2015/16?

I am not aware of any material instance of non-compliance during 2015/16.

6) Is the Audit Committee aware of any actual or potential litigation or claims that would affect the financial statements?

I am not aware of any material actual or potential litigation or claims that would materially affect the financial statements.

7) How does the Audit Committee satisfy itself that it is appropriate to adopt the going concern basis in preparing the financial statements?

As a local authority, South Bucks District Council is required to set a balanced budget and the Chief Finance Officer is required to report to the Authority on the following matters:

- The robustness of the estimates it makes when calculating its budget requirement.
- The adequacy of the Authority's reserves, taking into account the experience of the previous financial year.

The Committee reviews the financial statements and the Annual Governance Statement for the year ended.

Furthermore as a local authority SBDC is effectively underwritten by central Government / taxpayers.

I hope this response covers all your questions, but if you require any further clarification please contact me.

Yours sincerely

Cllr Malcolm Bradford
Chair of SBDC Audit Committee



South Bucks District Council

Internal Audit Progress Report

2015/16

Audit Committee: 17 March 2016



INTRODUCTION

1. This summary report provides the Audit Committee with an update on the progress of our work at South Bucks District Council as at 16 February 2016. The report is based on internal audit work carried out by TIAA and management representations that have been received.

EMERGING GOVERNANCE, RISK AND INTERNAL CONTROL RELATED ISSUES

2. We have not identified any emerging risks which could impact on the overall effectiveness of the governance, risk and internal control framework of the Council. The progress against the annual audit plan is shown at Appendix A. The action plans and management responses to our audit work for priority 1 and 2 recommendations for the period from 5 January 2016 to 16 February 2016 is shown in Appendix B.

AUDITS COMPLETED SINCE THE LAST REPORT TO COMMITTEE

3. The table below sets out details of audits finalised since our last report to the Audit Committee.

Review	Evaluation	Draft issued	Key Dates			Number of Recommendations			
			Responses Received	Final issued		1	2	3	OE
Waste Collection	Substantial	02/02/2016	05/02/2016	05/02/2016	0	0	2	0	
Creditors	Reasonable	21/12/2016	02/02/2016	03/02/2016	0	1	2	3	
Joint Working Arrangements	Substantial	04/02/2016	11/02/2016	12/02/2016	0	0	0	0	
Freedom of Information	Reasonable	25/11/2016	08/02/2016	16/02/2016	0	2	3	1	

CHANGES TO THE ANNUAL PLAN 2015/16

4. The following changes to the annual audit plan for 2015/16 have been made:
 - a) Disabled Facilities Grant – Additional Review
 - b) Defra Repair and Renew Grant (Flood Support Scheme) – Additional Review
 - c) Data Protection – Additional Review
 - d) The ICT audits have been cancelled due to the significant changes to the ICT at South Bucks and Chiltern and these have been replaced with the following two ICT audits:
 - i) Udata
 - ii) Transition Project Management

FRAUDS/IRREGULARITIES

7. There are no Frauds or Irregularities to report in this period

LIAISON WITH EXTERNAL AUDIT AND THE CLIENT

8. We continue to liaise with EY and have made available working paper files and the report on key financial systems. Regular meetings are held with the Audit Manager for the client.

PROGRESS ACTIONING PRIORITY 1 RECOMMENDATIONS

9. There are no Priority 1 recommendations to report at this time.

RESPONSIBILITY/DISCLAIMER

10. 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 2015/16

System	Planned Quarter	Days	Current Status	Comments
Disabled Facilities Grant	-	2.5	Final report issued August 2015	Additional review
Defra Repair and Renew Grant	-	1	Final report issued July 2015	Additional Review
Main Accounting	3	3	Final report issued November 2015	
Payroll	3	7	Fieldwork in Progress	
Debtors	3	5	Fieldwork in Progress	
Creditors	3	5	Final report issued February 2016	
Benefits	3	5	Draft report issued February 2016	
Council Tax Support	3	5	Fieldwork in Progress	
Council Tax & NDR	3	9	Fieldwork in Progress	
Cash & Bank	3	4	Fieldwork in Progress	
Treasury Management	3	3	Fieldwork in Progress	
Budgetary Control	3	3	Final report issued November 2015	
ICT - Information Security Management in shared service environment	3	3	Cancelled	Cancelled - Due to significant changes to the provision of ICT at South Bucks the timing of these audits is currently under review
ICT - Regulatory compliance	3	3	Cancelled	Cancelled
ICT - Control Assurance of services provided remotely	3	3	Cancelled	Cancelled
ICT - IT Management and operational	2	3	Cancelled	Cancelled

System	Planned Quarter	Days	Current Status	Comments
structure				
ICT - Service desk operation & management	3	3	Cancelled	Cancelled
ICT - Updata	4	3	Fieldwork in Progress	
ICT – Project Management review	4	4	Fieldwork in Progress	
ICT – Data Protection	4	3	Fieldwork in Progress	Additional Review
Planning Development (and enforcement)	1	6	Fieldwork in Progress	Audit delayed due to the service review being undertaken this year
Housing - Allocations/Homelessness	2	3	Final report issued October 2015	
Housing – Section 106	2	4	Fieldwork in Progress	
Contracts	3	4	Fieldwork in Progress	
Car Parking	3	4	Fieldwork in Progress	
Health and Safety – Contractor arrangements	3	4	Fieldwork in Progress	
Community Grants	1	3	Final report issued November 2015	
Electoral Registration	2	3	Fieldwork in Progress	
Freedom of Information	1	3	Final report issued February 2016	
Governance	4	4	Fieldwork in Progress	
Risk Management	2	3	Final Report issued November 2015	
Joint Working Arrangements	2	6	Final Report issued February 2016	
Counter Fraud	3	5	Fieldwork in Progress	
Audit follow up work		4		Undertaken during Q1 of 2016/17
<u>Farnham Park Charitable Trust</u>				

System	Planned Quarter	Days	Current Status	Comments
Stock Control	2	6	In Progress	Regular visits to the Park – annual report
Contingency Time	ongoing	4		

KEY:

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

AUDITS FINALISED SINCE LAST AUDIT COMMITTEE

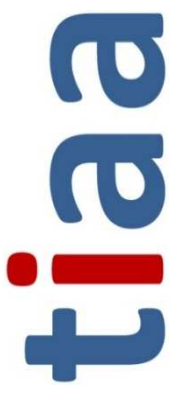
Title of review:	Date issued:
Creditors	February 2016

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
3	Compliance	From the sample, it was identified that the majority of procurement card holders selected for testing were not providing the Finance department supporting receipts of expenditure incurred. The Councils need to address this matter, as this has an underlying impact on the ability for the Finance Department to reclaim the VAT on these goods and services paid for with these procurement cards. Combined expenditure on cards ranges from £10,000 to £20,000 per month, therefore there is a cost saving incentive to ensure VAT receipts are obtained to ensure the VAT element can be reclaimed. Sample testing in one case highlighted the use of a credit card voucher to support expenditure they had incurred. Procurement card holders should be reminded that credit card vouchers are not a detailed receipt, as they only specify the amount incurred, and by providing these vouchers there is a control risk that purchases incurred cannot be verified as appropriate expenditure by the Finance Department.	Procurement card holders be reminded of the importance and need for providing VAT receipts to the Finance Department, and that credit card vouchers are not acceptable.	2	<i>New Procurement Card Guidance has been produced and all card holders have been informed of the guidance.</i>	4 th January 2016	Finance Manager

Title of review: **Freedom of Information** Date issued: **February 2016**

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Directed	The overarching requirements for managing FOI requests are set out in legislation. With there now being a standard system and process being used at both Councils for managing and processing FOI requests, it would be best practice to implement a joint FOI policy.	A joint Freedom of Information policy to be produced and presented to Cabinet for approval.	2	An FOI internal review process has been developed for consideration by IGG and approved by MT. The IG structure has been implemented across both councils. The Vuelio FOI process is published on the intranet for information. The IAAs have had attended IG workshops that cover the FOI processes and the information asset register, transparency, open data, privacy impact assessments, subject access requests, retention schedules, records management. These began in February 2015 on a monthly basis.	25/10/15	C/O

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
5	Compliance	<p>For SBDC, a FOI report is prepared and presented annually to the 'Overview and Scrutiny Committee'. The report covers how many FOI requests have been received and the percentage of requests that were answered within the 20 working days target. Currently no such report is prepared by CDC; there is a need for a report to be prepared and presented to an appropriate committee so that management and Members receive assurance that FOI requests are actioned promptly and can take the appropriate action where FOI requests are not completed in a timely manner.</p>	<p>An annual FOI report for CDC to be prepared and presented to an appropriate committee.</p>	2	<p>Report to go to CDC committee March 2016.</p>	31/03/16	C/O



South Bucks District Council

Internal Audit Annual Plan 2016/17 and Five Year Audit Strategy

Audit Committee

17 March 2016

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Chiltern District Council and South Bucks District Council
Internal Audit Annual Plan 2016/17 and Five Year Audit Strategy



2016/17

Internal Audit Annual Plan 2016/17 and Five Year Audit Strategy

INTRODUCTION

This Annual Plan is drawn up in accordance with the Terms of Reference of TIAA and the Internal Audit Strategic Plan. The audit days in the Annual Plan and Five Year Strategy refer to the joint working for both Councils unless otherwise indicated.

AUDIT STRATEGY METHODOLOGY

We adopt a risk based approach to determining your audit needs each year which includes reviewing your risk register and risk management framework, and previous internal audit work, external audit recommendations together with key corporate documentation such as your business and corporate plan, standing orders, and financial regulations. The Strategy will be based predominantly on our understanding of the inherent risks facing Chiltern and South Bucks Councils and those within the sector and has been developed with senior management and Committee.

AUDIT (AND STANDARDS) COMMITTEE RESPONSIBILITY

It is the responsibility of the Audit (and Standards) Committee to determine that the number of audit days to be provided is adequate; the planned audit coverage is sufficient to meet the Committee's requirements and the areas selected for review are appropriate to provide assurance against the key risks within the organisation.

INTERNAL AUDIT ANNUAL PLAN

The Annual Plan (Annex A) sets out the reviews that will be carried out, the planned times and the scopes for each of these reviews. The rolling strategic plan is set out in Annex B. The rolling strategic plan will be subject to ongoing review and could change as the risks change for the organisation and will be formally reviewed with senior management and the Committee mid-way through the financial year or should a significant issue arise.

The planned time set out in the Annual Plan for the individual reviews includes: research, preparation and issue of terms of reference, production and review of working papers and reports and site work. The timings shown in the Annual Plan assume that the expected controls will be in place.

Substantive testing will only be carried out where a review assesses the internal controls to be providing 'limited' or 'no' assurance with the prior approval of the Councils and additional time will be required to carry out such testing. Each Council is responsible for taking appropriate action to establish whether any loss or impropriety has arisen as a result of the control weaknesses.

REPORTING

Assignment Reports: A separate report will be prepared for each review carried out. Each report will be prepared in accordance with the arrangements contained in the Terms of Reference agreed with TIAA and which accord with the requirements of the Public Sector Internal Audit Standards (PSIAS).

Progress Reports: Progress reports will be prepared for each Audit (and Standards) Committee meeting. Each report will detail progress achieved to date against the agreed annual plan.

Annual Report: An Annual Report will be prepared for each year in accordance with the requirements set out in the Public Sector Internal Audit Standards (PSIAS). The Annual Report will include our opinion of the overall adequacy and effectiveness of each Councils governance, risk management and operational control processes.

SATISFACTION QUESTIONNAIRES

A satisfaction questionnaire will be issued with each final report to comply with our ISO requirements. An annual client satisfaction survey will also be

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tiaa

2016/17

issued with the annual report with the feedback received from these survey(s) being used to develop staff and the service we provide.

CONFLICT OF INTEREST

We are not aware of any conflicts of interest and should any arise we will manage them in line with PSIAS requirements, the Councils requirements and TIAA's internal policies.

LIAISON WITH THE EXTERNAL AUDITOR

We will liaise with the External Auditor for Chiltern Council and South Bucks Council. Any matters in the areas included in the Annual Plan that are identified by the external auditor in their audit management letters will be included in the scope of the appropriate review.

BACKGROUND

Chiltern and South Bucks Councils now have a joint Business Plan with three headline objectives:

- Delivering cost – effective, customer focused services.
- Working towards safe and healthier local communities.
- Striving to conserve the environment and promote sustainability.

South Bucks has a population of around 70,000 compared to Chiltern with a population of some 90,000.

ASSESSMENT OF THE KEY RISK CONTROL OBJECTIVES

For each assurance review an assessment of the combined effectiveness of the controls in mitigating the key control risks will be provided. The assurance mapping process is set out in Annex C.

AUDIT REMIT

The Audit Remit (Annex D) formally defines internal audit's purpose, authority and responsibility. It establishes internal audit's position within the Councils and defines the scope of internal audit activities and ensures compliance with the PSIAS.

LIMITATIONS AND RESPONSIBILITY

Internal controls can only provide reasonable and not absolute assurance against misstatement or loss. The limitations on assurance include the possibility of one or more of the following situations, control activities being circumvented by the collusion of two or more persons, human error, or the overriding of controls by management. Additionally, no assurance can be provided that the internal controls will continue to operate effectively in future periods or that the controls will be adequate to mitigate all significant risks that may arise in future.

The responsibility for a sound system of internal controls rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses that may exist. Neither should internal audit work be relied upon to identify all circumstances of fraud or irregularity, should there be any, although the audit procedures have been designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of internal control may not be proof against collusive fraud.

Reliance will be placed on management to provide internal audit with full access to staff and to accounting records and transactions and to ensure the authenticity of these documents.

The matters raised in the audit reports will be only those that come to the attention of the auditor during the course of the internal audit reviews and are not necessarily a comprehensive statement of all the weaknesses that

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exist or all the improvements that might be made. The audit reports are prepared solely for management's use and are not prepared for any other purpose.

PERFORMANCE

The following Performance Targets will be used to measure the performance of internal audit in delivering the Annual Plan (Figure 1 below):

Figure 1 - Performance Targets

Area	Performance Measure	Target
Achievement of the plan	Completion of Planned Audits	100%
	Audits Completed in Time Allocation	100%
	Draft report issued within 10 working days of exit meeting	95%
Reports Issued	Final report issued within 10 working days of receipt of responses	95%
Professional Standards	Compliance with Public Sector Internal Audit Standards	100%

KEY CONTACT INFORMATION

Area	Performance Measure
Name: Chris Harris Job Title: Director	Email address: chris.harris@tiaa.co.uk Phone number: 07766 115439
Name: Jonathan Sims Job Title: Client Manager	Email address: jonathan.sims@tiaa.co.uk Phone number: 07976 815945
Name: Claire Lavery Job Title: Principal Auditor	Email address: claire.lavery@tiaa.co.uk Phone number: 07580 971330
Name: Jannes van der Merwe Job Title: Senior Auditor	Email address: Jannes.vandermerwe@tiaa.co.uk Phone number: 07815 834657
Name: Pedro Simmons Job Title: Auditor	Email address: pedro.simmons@tiaa.co.uk Phone number: 07580 164317

RELEASE OF REPORT

The table below sets out the history of this plan.

Date plan issued:	10th March 2016
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Annual Plan – 2016/17

Quarter	Audit	Type	Days	Rationale	Prog ref
CORPORATE AUDITS					
3	Governance	Assurance	9	<p><u>Rationale:</u> Reputationally the identification and recording of Gifts and/or Hospitality is fundamental to the governance arrangements at the Councils.</p> <p><u>Scope:</u> The review will consider the following key areas:</p> <ul style="list-style-type: none"> • The gifts and hospitality policy and procedures; • Implementation of the requirements of the Bribery Act 2010 into the Members Code of Conduct; • That Members are recording gifts and hospitality in accordance with Council Policy 	
3	Procurement	Assurance	8	<p><u>Rationale:</u> Procurement is a major spend for the Council and a regular audit is undertaken to confirm purchases are controlled and compliant with the Council's procedures.</p> <p><u>Scope:</u> The review will cover the corporate procurement arrangements: To include:</p> <ul style="list-style-type: none"> • Standing orders for contracts which should clearly define procurement policy • That adequate procedures are in place to establish the need for purchases • Purchase Orders are placed with approved suppliers, wherever possible • That procedures are in place to ensure there is adequate contract management to monitor supplier performance. 	
4	Counter Fraud	Assurance	8	<p><u>Rationale:</u> This is an annual review to undertake pro active counter fraud work.</p> <p><u>Scope:</u> The scope of this audit will be determined in consultation with the Councils Counter Fraud Manager at the time of the review.</p>	

Quarter	Audit	Type	Days	Rationale	Prog ref
3/4	Complaints and Compliments	Assurance	6	<p><u>Rationale:</u> Following a governance audit in 2015/16 it was noted that following the many service reviews and staff changes the complaints and compliments procedure had fallen into disrepute. It has been agreed to review this aspect of the work again in 2016/17.</p> <p><u>Scope:</u> To review the following:</p> <ul style="list-style-type: none"> • The policy and procedures for managing Complaints and Compliments. • The monitoring arrangements • The reporting arrangements to senior management and to Members. • The lessons learned and action plans arising from any complaints and compliments. 	
1	Performance Management/Efficient Working	Assurance	10	<p><u>Rationale:</u> Following the many Service reviews that have taken place and the significant staff changes as a result management have requested that we review the transformational changes and whether they are delivering efficient methods of working and how performance is being monitored and managed.</p> <p><u>Scope:</u> The review will include:</p> <ul style="list-style-type: none"> • Selecting a number of service departments and through interview and examination consider how efficient service delivery is now compared with pre- service review; • Examine how performance is monitored and managed and whether the most efficient methods of working are being adopted. 	
1	Information Governance/Data Quality	Assurance	9	<p><u>Rationale:</u> Compliance with Information Governance legislation is fundamental to the Councils in how it protects data.</p> <p><u>Scope:</u> The review will cover the following key areas:</p> <ul style="list-style-type: none"> • Management arrangements exist to ensure compliance with legislation. The information governance roles including the SIRO and Information Governance Officer have been clearly defined and an information governance group (or similar) monitors ongoing information governance issues; 	

Quarter	Audit	Type	Days	Rationale	Prog ref
				<ul style="list-style-type: none"> • Policies and procedures are in place to govern the management of data and systems including a formally adopted information security and data quality policy; • Process controls exist to ensure that manual records are stored securely in structured filing systems and are available, if required; • Data sharing and third party data processing protocols are in place which ensures that responsibilities for data transferred to and from third parties are clearly defined. 	
FINANCIAL AUDITS					
3	Main Accounting	Assurance	8	<p><u>Rationale:</u> This is the main financial ledger and an important system for the Councils which is audited annually.</p> <p><u>Scope:</u> To assess the adequacy and effectiveness of the internal controls in place at the Councils for the financial accounting system (Integra). The review will focus on the following areas:</p> <ul style="list-style-type: none"> • Adequate policies and procedures are in place and accessible to all relevant staff. • Access to Integra is restricted to authorised personnel only and the system is appropriately backed up; • Financial information is produced which meets all legal/reporting requirements on a timely basis; • Journal entries are supported by adequate narrative, with appropriate separation of duties in place; • New ledger codes/amendments are supported by appropriate authorisation; • Suspense accounts are regularly reviewed and cleared; and • Opening balances are brought forward promptly and accurately. 	
3	Payroll	Assurance	13	<p><u>Rationale:</u> Due to the high volume of transactions and the expenditure involved this is a high risk area and subject to an annual audit</p> <p><u>Scope:</u> To assess the adequacy and effectiveness of the internal controls in place at the Council for managing the Payroll function. The audit will focus on the following key</p>	

Quarter	Audit	Type	Days	Rationale	Prog ref
				<p>areas:</p> <ul style="list-style-type: none"> • Recommendations from the previous audit report have been implemented; • Adequate policies and procedures are in place and accessible to all relevant staff; • System access is restricted to authorised personnel only; • Payroll data is supported by proper documentation, properly authorised, and subject to satisfactory segregation of duties; and • Reasonableness checks and regular reconciliations are carried out. 	
3	Debtors	Assurance	10	<p><u>Rationale:</u> Due to the high volume of transactions and the income involved this is a high risk area and subject to an annual audit</p> <p><u>Scope:</u> To assess the adequacy and effectiveness of the internal controls in place at the Council for managing the Debtors function. The audit will focus on the following key areas:</p> <ul style="list-style-type: none"> • Recommendations from the previous audit report have been implemented; • Adequate policies and procedures are in place and accessible to all relevant staff; • System access is restricted to authorised personnel only; • Invoices and credit notes are raised following appropriate authorisation, and are actioned promptly and accurately; • Regular reconciliations are carried out between the sales ledger module and the general ledger control account; • Regular reviews of outstanding debtors are undertaken using aged debtor listing, with arrears action carried out promptly in accordance with procedures; and • Write-offs are approved by senior officers in accordance with procedures 	
3	Creditors	Assurance	10	<p><u>Rationale:</u> Due to the high volume of transactions and the expenditure involved this is a high risk area and subject to an annual audit</p> <p><u>Scope:</u> To assess the adequacy and effectiveness of the internal controls in place at the Council for managing the Creditors function. The audit will focus on the following key areas:</p>	

Quarter	Audit	Type	Days	Rationale	Prog ref
				<ul style="list-style-type: none"> Recommendations from the previous audit report have been implemented, Adequate policies and procedures are in place and accessible to all relevant staff, System access is restricted to authorised personnel only; New supplier set up/amendments to supplier details are subject to satisfactory segregation of duties; Payments are supported by proper documentation, properly authorised, correctly coded, and subject to satisfactory segregation of duties; and Regular reconciliations are carried out between the purchase ledger module and the general ledger control account. 	
3	Benefits	Assurance	10	<p><u>Rationale:</u> Due to the high volume of transactions and the expenditure involved this is a high risk area and subject to an annual audit</p> <p><u>Scope:</u> To review and test the controls in place at the Council for the Housing Benefits function. The review will focus on the following key areas:</p> <ul style="list-style-type: none"> Appropriate policies and procedures are in place for managing the Benefits process. Access to the Benefits system is restricted and adequately controlled. Standard variables/parameters are independently reviewed at the start of the year. Benefits are properly due and correctly calculated, with appropriate sample checks carried out. Payment runs are subject to independent review and authorisation prior to payment. System performance is monitored and Benefits data regularly reconciled. Overpayments are identified and promptly followed up. Write-offs are approved by senior officers in accordance with authorised procedures 	

Quarter	Audit	Type	Days	Rationale	Prog ref
3	Council Tax Support	Assurance	10	<p><u>Rationale:</u> Due to the high volume of transactions and the expenditure involved this is a high risk area and subject to an annual audit</p> <p><u>Scope:</u> To review and test the controls in place at the Council for the Council Tax Support function. The review will focus on the following key areas:</p> <ul style="list-style-type: none"> • Appropriate policies and procedures are in place for managing the Council Tax Support process. • Access to the Council Tax Support system is restricted and adequately controlled. • Standard variables/parameters are independently reviewed at the start of the year. • Council Tax Support is properly due and correctly calculated, with appropriate sample checks carried out. • Payment runs are subject to independent review and authorisation prior to payment. • System performance is monitored and Council Tax Support data regularly reconciled. • Overpayments are identified and promptly followed up. • Write-offs are approved by senior officers in accordance with authorised procedures 	
3	Council Tax and NDR	Assurance	20	<p><u>Rationale:</u> Due to the high volume of transactions and the income involved this is a high risk area and subject to an annual audit</p> <p><u>Scope:</u> To review the adequacy and effectiveness of the controls in place at the Council for the management of the Council Tax and Business Rates (Non – Domestic Rates (NDR)) function. The audit will focus on the following:</p> <ul style="list-style-type: none"> • There are up to date documented procedures for Council Tax and NDR; • System access is adequately controlled; • The correct charges have been applied; • Regular reconciliations are carried out with Valuation Office listings; • Discounts and exemptions are approved by authorised staff and supported by documentary evidence; 	

Quarter	Audit	Type	Days	Rationale	Prog ref
				<ul style="list-style-type: none"> • Refunds are appropriately approved and authorised prior to payment; • Arrears are promptly identified and pursued and any write offs are valid and authorised; • Suspense accounts are regularly cleared and any exception reports are regularly reviewed; and • Systems are adequately monitored and reconciled 	
3	Cash and Bank	Assurance	9	<p><u>Rationale:</u> Due to the high volume of transactions and the income involved this is a high risk area and subject to an annual audit</p> <p><u>Scope:</u> To assess the adequacy and effectiveness of the internal controls in place at the Councils for managing the Income (Cash & Bank) function. The audit will focus on the following key areas:</p> <ul style="list-style-type: none"> • Recommendations from the previous audit report have been implemented; • Adequate policies and procedures are in place and accessible to all relevant staff; • System access is restricted to authorised personnel only; • Adequate controls are in place to ensure amounts received are accurately and promptly banked; • Adequate security is in place to manage all cash received and banking arrangements; • Regular reconciliations are carried out between the cash receiving system, the general ledger and the Councils bank accounts; and • All items posted to suspense accounts are checked and regularly cleared. 	
2	Budgetary Control	Assurance	8	<p><u>Rationale:</u> This is an important function for the Councils and which is audited bi-annually.</p> <p><u>Scope:</u> To assess the adequacy and effectiveness of the internal controls in place at the Councils for the management of the financial budgets for the Councils. The review will focus on the following areas:</p> <ul style="list-style-type: none"> • Adequate policies and procedures are in place and accessible to all relevant staff; • Budgets are comprehensive, with realistic assumptions, and are 	

Quarter	Audit	Type	Days	Rationale	Prog ref
				<p>appropriately approved;</p> <ul style="list-style-type: none"> Budgets are loaded into the ledger completely and accurately; Budgets are allocated to individuals at an appropriate level, with monitoring responsibilities clearly outlined; Budget monitoring reports are provided on a timely basis; Reasonable variance levels are set which trigger action and explanation; and Budget virements are subject to appropriate authorisation. 	
	ICT AUDITS				
2/3	Targeted Audits – To be agreed	Assurance	30	Due to the major changes which have occurred with ICT during 2015/16 the audit needs assessment has been delayed until the end of the financial year 2015/16. A full plan and strategy for ICT audits will be reported to the next Audit (and Standards) Committee.	
1	Controls over access to the internet	Assurance	6	<p><u>Rationale:</u> Following concerns regarding controls over access to inappropriate websites an audit of the improvements in security arrangements has been requested in 2016/17.</p> <p><u>Scope:</u> The audit will focus on the firewall and other security controls which have been put in place to prevent staff from accessing inappropriate web sites.</p>	
	HEALTH AND HOUSING				
1	Environmental Health	Assurance	10	<p><u>Rationale:</u> This is a periodic audit which has not been undertaken for some time.</p> <p><u>Scope:</u> To ensure that:</p> <ul style="list-style-type: none"> there are up to date documented procedures accessible to all staff who need them, the corporate retention policy is being adhered to, to review the performance targets and how these are monitored and 	

Quarter	Audit	Type	Days	Rationale	Prog ref
1	Licensing	Assurance	10	<p>reported,</p> <ul style="list-style-type: none"> legislation and regulations are being complied with, insurances are up to date and sufficient <p><u>Rationale:</u> This is a periodic audit which has not been undertaken for some time. <u>Scope:</u> To assess the adequacy and effectiveness of the internal controls in place at the Councils for managing the administration of licenses. The audit will focus on the following key areas:</p> <ul style="list-style-type: none"> Policies and procedures; Compliance with legislative requirements; Issuing of licenses within required timescales; Receipt of monies for license fees; The maintenance of public registers; and Premises inspections. 	
1	Health and Safety – internal arrangements	Assurance	8	<p><u>Rationale:</u> This is a periodic audit that has not been undertaken for some time <u>Scope:</u> The review will include:</p> <ul style="list-style-type: none"> Compliance with Health and Safety standards and Financial Regulations Compliance with policies and procedures for Health and Safety Examination of any health and safety notifications and how these were remedied The monitoring and reporting of all internal Health and safety incidents. Risk Management arrangements. 	
TBA	Disabled Facilities Grants	Regulatory	5	<p><u>Rationale:</u> An annual audit which is a central government requirement <u>Scope:</u> To examine all income and expenditure and to confirm money spent is in accordance with the Grant conditions</p>	

Quarter	Audit	Type	Days	Rationale	Prog ref
TBA	Housing DECC Grants – energy efficiency	Regulatory	10	<u>Rationale:</u> An annual audit which is a central government requirement <u>Scope:</u> To examine all income and expenditure and to confirm money spent is in accordance with the Grant conditions	
	COMMUNITY SERVICES				
2	Leisure Contracts	Assurance	8	<u>Rationale:</u> An outsourced service that has not been audited for some time. <u>Scope:</u> The review will include the following key areas: <ul style="list-style-type: none"> • Review of the current policies and procedures, • Testing key controls. • Key performance indicators/performance targets for the leisure contract are clearly laid down and incorporated into contract metrics. • Performance management and monitoring processes are in place and are robust enough to ensure compliance with performance standards. • Contract clauses, such as penalties and deductions, are outlined and enforced. • Payments are made accurately in line with contractual arrangements • Management information on contract performance is provided and regularly reviewed, • Adequate budget controls are in place. 	
	ENVIRONMENTAL SERVICES				
2	Waste – Joint service Chiltern and Wycombe	Assurance	8	<u>Rationale:</u> This is a joint service with Wycombe and is audited periodically. The review is primarily around the contract monitoring and management arrangements as this service is run by a private contractor. <u>Scope:</u> Examine and test the controls which manage the Waste Collection contract to	

Quarter	Audit	Type	Days	Rationale	Prog ref
				include review of: <ul style="list-style-type: none"> • Policy and procedures • Client Monitoring Framework • Payments • Works orders and variations • Performance management, penalties and complaints • Recharge and funding arrangements • Governance • Recycling arrangements/targets 	
4	Car Parking	Assurance	11	<p><u>Rationale:</u> Car Parking income is an important contribution to the Council's finances and periodic auditing confirms it is being properly accounted for.</p> <p><u>Scope:</u> The review will include the following key areas:</p> <ul style="list-style-type: none"> • To assess the adequacy and effectiveness of the internal controls in place relating to the collection, recording and banking of all car parking income. • To include an assessment of the process for the recovery of income. • To ensure that income received is adequately protected from loss 	
1	Property and Asset Management	Assurance	8	<p><u>Rationale:</u> This is a periodic audit which has not been audited for some time.</p> <p><u>Scope:</u> The audit will review the following:</p> <ul style="list-style-type: none"> • Policy, Procedures and Legislation; • Reviewing inspection regimes; • Reconciliation and access to the Property and Asset Management ledger; Revaluations and Impairments; Verification of assets; and • Disposal, Write offs and depreciation. 	

Quarter	Audit	Type	Days	Rationale	Prog ref
	LEGAL AND DEMOGRAPHIC SERVICES				
2	Individual Electoral Registration	Assurance	8	<p><u>Rationale:</u> There have been significant changes to the Electoral Registration process during 2015 and an audit in 16/17 would provide an independent review.</p> <p><u>Scope:</u> The audit will focus on the following key areas:</p> <ul style="list-style-type: none"> • Compliance with statutory requirements • Completeness and accuracy of record keeping • Management and reporting on the system 	
	HUMAN RESOURCES				
1	Absence Management	Assurance	8	<p><u>Rationale:</u> This is a periodic audit that has not been undertaken for some time.</p> <p><u>Scope:</u> The audit will review the following key areas:</p> <ul style="list-style-type: none"> • The Councils absence and sickness policy and procedures • Roles and responsibilities for managing absence • Monitoring and recording of absence • Reporting and follow up action 	

Quarter	Audit	Type	Days	Rationale	Prog ref
2	Recruitment	Assurance	8	<p><u>Rationale:</u> This is a periodic audit that has not been undertaken for some time.</p> <p><u>Scope:</u> The audit will cover the following key areas:</p> <ul style="list-style-type: none"> • Policies and procedures • Approval processes • Selection processes • Advertising and openness • Shortlisting • Interview and selection • Pre employment checks • Employment contracts • Complaints 	
FARNHAM PARK TRUST					
1	Stores/shop	Assurance	5	<p><u>Rationale:</u> This is a high risk area for the Trust and is audited annually</p> <p><u>Scope:</u> A cradle to grave audit of stock identified, purchased, held and sold at the Trust (The South Buckinghamshire). This will include:</p> <ul style="list-style-type: none"> • The effective identification and purchase of stock; • An adequate system of control of stock held pending sale • A sound system of sales including restocking 	
1	Bar	Assurance	5	<p><u>Rationale:</u> The Council have recently taken back in-house the running of the bar at the South Buckinghamshire and an early audit has been requested by management.</p> <p><u>Scope:</u> The audit will focus on the following key issues:</p> <ul style="list-style-type: none"> • An understanding of the Licensing Act 2003 • Policy and procedures for the bar to include type of stock to be sold and purchasing arrangements • Staff training and whether any hold a qualification recognised by the British Institute of Innkeepers • Security arrangements for bar stock and takings 	

Quarter	Audit	Type	Days	Rationale	Prog ref
-	Contingency		2	<ul style="list-style-type: none"> • CCTV coverage and retention arrangements • Security of premises and lock up arrangements • Stock take arrangements • Banking arrangements • Pricing Policy • Member/Chief Officer approvals 	
				Time to be spent providing advice and assistance to the General Manager on matters relating to control and risk	
				OTHER	
-	Follow Up		10	An annual audit at the end of the financial year to review the implementation of all recommendations made in Internal Audit reports during the year.	
4	Annual Assurance Report		2	The Head of Audit Annual Assurance report to the Audit (and Standards) Committee.	
1-4	Audit Management		32	This time includes attendance at Audit Committee meetings and overall contract management.	
		Total days	330		
		Total days Farnham Park	12		

Rolling Strategic Plan

Corporate	Review Area	Risk Ref	Type	Days Required					
				2016/17	2017/18	2018/19	2019/20	2020/21	
Corporate									
Governance				9	8	8	8	8	8
Risk Management				-	8	-	8	-	-
Procurement				8	-	8	-	-	8
Counter Fraud				8	8	8	8	8	8
Complaints and Compliments				6	-	-	-	-	6
Performance Management/Efficient Working				10	-	10	-	-	10
Contracts				-	-	10	-	-	-
Information Governance/Data Quality				9	8	8	8	8	8
Freedom of Information				-	8	-	8	-	-
Data Protection				-	8	-	8	-	-
Business Continuity				-	8	-	-	-	8
Finance									
Main Accounting				8	7	7	7	7	7
Payroll				13	12	12	12	12	12
Debtors				10	9	9	9	9	9
Creditors				10	9	9	9	9	9
Benefits				10	9	9	9	9	9
Council Tax Support				10	9	9	9	9	9
Council Tax and NDR				20	18	18	18	18	18
Cash and Bank				9	8	8	8	8	8

Review Area	Risk Ref	Type	Days Required				
			2016/17	2017/18	2018/19	2019/20	2020/21
Treasury Management			-	8	-	8	-
Budgetary Control			8	-	8	-	8
ICT							
Targeted Audits – To be agreed			30	30	30	30	30
Controls over access to the internet			6	-	-	-	-
Health and Housing							
Housing Allocations and Homelessness			-	9	-	9	-
Housing Section 106			-	10	-	9	-
Environmental Health			10	-	10	-	10
Licensing			10	-	10	-	10
Business Continuity			-	9	-	-	9
Emergency Planning			-	6	-	-	6
Health and Safety – internal arrangements			8	-	-	-	8
Disabled Facilities Grants			5	5	5	5	5
Housing DECC Grants – energy efficiency			10	10	10	10	10
Community Services							
Grants			-	8	-	8	-
Leisure Contracts			8	-	-	-	8
Safeguarding			-	-	8	-	-
Environmental Services							
Health and Safety – Contractor Arrangements			-	-	8	-	-
Grounds Maintenance			-	8	-	-	8
Waste – Joint service Chiltern and Wycombe			8	8	8	8	8
Waste – South Bucks			-	5	-	5	-

Review Area	Risk Ref	Type	Days Required					
			2016/17	2017/18	2018/19	2019/20	2020/21	
Contracts – Environmental Services			-	12	-	-	11	-
Car Parking			11	10	10	9	9	9
Property and Asset Management			8	-	8	-	-	8
Cemeteries			-	-	8	-	-	-
Sustainable Development								
Planning Development and Enforcement			-	11	-	-	11	-
Building Control			-	-	-	-	8	-
Legal and Demographic Services								
Land Charges			-	-	8	-	-	-
Individual Electoral Registration			8	-	-	-	-	8
External Solicitors/Court Costs			-	-	-	-	-	-
Human Resources								
Absence Management			8	-	-	-	8	-
Recruitment			8	-	-	-	8	-
Equalities			-	-	8	-	-	-
Harmonised Policies and Procedure			-	8	-	-	8	-
iTrent Payroll System (HR Module)			-	6	-	-	6	-
Farnham Park Trust								
Stores/shop			5	5	5	5	5	5
Bar			5	5	5	5	5	5
Academy			5	-	5	-	-	5
Contingency			2	2	2	2	2	2



Other	Review Area	Risk Ref	Type	Days Required				
				2016/17	2017/18	2018/19	2019/20	2020/21
Follow up				10	10	10	10	10
Annual Assurance Report				2	2	2	2	2
Audit Management				32	32	32	32	32
			Total	330	344	316	334	326
			FARNHAM Park Total	17	12	17	12	17

Assurance Mapping

Corporate assurance risks

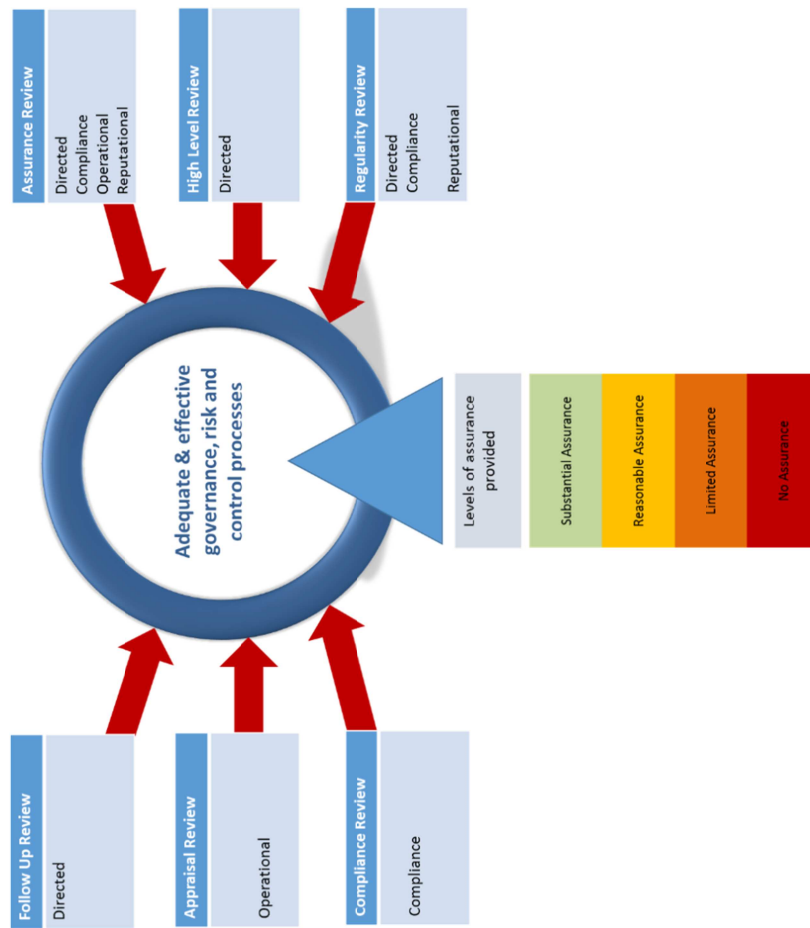
We consider four corporate assurance risks; directed; compliance; operational and reputational. The outcomes of our work on these corporate assurance risks informs both the individual assignment assurance assessments and also the annual assurance opinion statement. Detailed explanations of these assurance assessments are set out in full in each audit report.

Assurance assessment gradings

We use four levels of assurance assessment: substantial; reasonable; limited and no. Detailed explanations of these assurance assessments are set out in full in each audit report.

Types of audit review

The Annual Plan includes a range of types of audit review. The different types of review focus on one or more of the corporate assurance risks. This approach enables more in-depth work to be carried out in the individual assignments than would be possible if all four assurance risks were considered in every review. The suite of audit reviews and how they individually and collectively enable us to inform our overall opinion on the adequacy and effectiveness of the governance, risk and control arrangements is set out in the assurance mapping diagram.



Classification:
OFFICIAL



Audit Remit

Role

The main objective of the internal audit activity carried out by TIAA is to provide, in an economical, efficient and timely manner, an objective evaluation of, and opinion on, the overall adequacy and effectiveness of Chiltern District Council and South Bucks District Council framework of governance, risk management and control. TIAA is responsible for giving assurance to the Councils "Governing Body" (being the body with overall responsibility for the organisation) on the adequacy and effectiveness of the Councils risk management, control and governance processes.

Scope

All of the Councils activities fall within the remit of TIAA. TIAA may consider the adequacy of controls necessary to secure propriety, economy, efficiency and effectiveness in all areas. It will seek to confirm that the Councils management has taken the necessary steps to achieve these objectives and manage the associated risks. It is not within the remit of TIAA to question the appropriateness of policy decisions. However, TIAA is required to examine the arrangements by which such decisions are made, monitored and reviewed.

TIAA may also conduct any special reviews requested by the Audit (and Standards) Committee or the nominated officer (being the post responsible for the day to day liaison with the TIAA), provided such reviews do not compromise the audit service's objectivity or independence, or the achievement of the approved audit plan.

Standards and Approach

TIAA's work will be performed with due professional care, in accordance with the requirements of the PSIAS.

Access

TIAA has unrestricted access to all documents, records, assets, personnel and

premises of the two Councils and is authorised to obtain such information and explanations as they consider necessary to form their opinion.

Independence

TIAA has no executive role, nor does it have any responsibility for the development, implementation or operation of systems. However, it may provide independent and objective advice on risk management, control, governance processes and related matters, subject to resource constraints. For day to day administrative purposes only, TIAA reports to a nominated officer within the Councils and the reporting arrangements must take account of the nature of audit work undertaken. TIAA has a right of direct access to the chair of the audit committee and the responsible accounting officer (being the post charged with financial responsibility).

To preserve the objectivity and impartiality of TIAA's professional judgement, responsibility for implementing audit recommendations rests with the Councils management.

Consultancy activities are only undertaken with distinct regard for potential conflict of interest. In this role we will act in an advisory capacity and the nature and scope of the work will be agreed in advance and strictly adhered to. The objective of any consultancy work is to add value and improve governance, risk management and control processes. Internal audit will never take or assume management responsibility.

Irregularities, Including Fraud and Corruption

TIAA will without delay report to the appropriate regulator, serious weaknesses, significant fraud, major accounting and other breakdowns subject to the requirements of the Proceeds of Crime Act 2003.

TIAA will be informed when evidence of potential irregularity, including fraud,

Classification:
OFFICIAL

Chiltern District Council and South Bucks District Council
Internal Audit Annual Plan 2016/17 and Five Year Audit Strategy



2016/17

corruption or any impropriety, is discovered so that TIAA can consider the adequacy of the relevant controls, evaluate the implication of the fraud on the risk management, control and governance processes and consider making recommendations as appropriate. The role of TIAA is not to investigate the irregularity unless commissioned to do so.

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SUBJECT:	RISK MANAGEMENT	
REPORT OF:	Director of Resources	Jim Burness
RESPONSIBLE OFFICER	Head of Finance	Rodney Fincham
REPORT AUTHOR		
WARD/S AFFECTED	All	

1. Purpose of Report

- 1.1 The purpose of this report is to update Members on risk management across the two authorities.

RECOMMENDATIONS

The Committee is asked to note the report

2. Information

- 2.1 The report will inform members about:

- The harmonised approach to managing risk across the two Councils
- The current main operational risks
- The strategic risks

- 2.2 In 2015 the two Councils agreed a harmonised approach to risk management to reflect the growing joint working and common risks facing the authorities.

- 2.3 The framework for management of risk can be summarised as follows:

- All staff have a basic responsibility for identifying, and managing risks. This will range from operational working and H&S risks to the risks to the council achieving its strategic objectives. The level of responsibility will vary depending on the role of specific officers in the organisations.
- All teams have responsibility for identifying the risks they face to delivering their objectives. These are captured as part of the service planning process. The risks are assessed to determine how they need to be monitored and which require a proactive approach to mitigate, and what risk cannot be totally mitigated and what the response to these would be.
- Where projects are undertaken the project management methodology requires risks to be identified with their mitigation measures.
- Specific risk areas such as H&S and insurance are subject to specific monitoring and review.
- During the year Heads of Service and their Team Managers as part of their monthly review of operations identify the main current risks and determine how to respond to these.
- Monthly the main operational risks are reviewed by Management Team and Heads of Service.

- The authorities' strategic risks are reviewed annually as part of the budget and service planning process.

2.4 Risk management is one of the main elements of corporate governance. Effective organisations have a proactive approach to risk management. The current strategic risks are shown in Appendix A, most of which are common to the two authorities.

2.5 Work undertaken to strengthen the authorities' risk management has included:

- Revamping and putting in place a standard approach to project management across the two Councils. This is important in the context of the number of projects of various sizes that will be undertaken in the coming years. All senior and middle managers responsible for managing projects have been trained in the project management methodology.
- Developing the Councils approach to information management, working to improve the organisation access and retrieval of information key to the operation of services. This has included training on data protection and sharing.

2.6 Over the last year the level of insurance claims in both authorities has remained low, less than ten claims per annum. There have been no significant H&S issues, or breaches of data security.

3. Options

Not applicable

4. Corporate Implications

4.1 Comment from the Internal Auditor: Risk management is an important part of the governance and control framework for the two Councils and is subject to a biannual internal audit. Internal Audit are pleased to note, from their earlier work, that the two Councils have embraced good risk management processes which are now becoming embedded within the day to day management and delivery of the Council's services. Despite the significant transformational changes that have occurred over the last couple of years risk management has remained high on the agenda for the Council's officers and the control framework has remained sound during this period of change. Internal audit work will continue to test the resilience of risk management in future years.

4.2 There are no financial implications arising from this report, nor any implications for the Council's policies and procedures.

5. Links to Council Policy Objectives

5.1 Risk management is one of the main elements of corporate governance. Effective organisations have a proactive approach to risk management.

6. Next Steps

6.1 Not applicable.

Background Papers:	None
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STRATEGIC RISKS

Ref	Risk Description	Trigger	Control	Officer Resp	Member Resp	Scores Raw / Mitigate
1	<u>Joint working</u> Friction develops between two authorities that stalls progress and affects service delivery	<ul style="list-style-type: none"> • Failure to generate sufficient joint working opportunities • Failure to deliver sufficient savings from programme. • Diverging Council priorities • Weakening of officer member relationships 	<ul style="list-style-type: none"> • Governance in place – Joint Cmm, JAIC • Programme documentation and programme management resources • Member involvement in joint working in line with member expectations • Communication plan for members, staff, external partners 	M/T	CAB	12 / 8
2	<u>Transformation and Management of Change</u> No acceptance of change to ways of working and service delivery by officers and members prevents achievement of council aims and meeting customer needs. Progress inhibited by capacity issues and lack of finance, and programme losses momentum	<ul style="list-style-type: none"> • Projects to change service delivery, joint services etc stall or are cancelled. • Lack of skills and capacity to help staff and members cope with change to ways of working. • Service delivery and standards slip • Staff and members disengaged from change programme 	<ul style="list-style-type: none"> • Senior members and managers show commitment to change. • Case for changes clearly made and communicated. • Build on success, in order to establish confidence to change. • Prioritise programme of change, and ensure it is adequately resourced. • Develop change management approach, and organisational development plan 	M/T	CAB	16 / 9
3	<u>Financial Stability</u> Authorities forced into short term reactive measures to a) reduced Govt funding, b) unavoidable cost increases. Reputational risk from decision that have to be taken. Reduced financial capacity to manage transformation	<ul style="list-style-type: none"> • Significantly higher reductions in Govt funding than anticipated • Significant reductions in income base • Unforeseen significant cost increases • Reserves decline to near prudent minimum level. • Medium Term financial Strategies have to be substantially revised. 	<ul style="list-style-type: none"> • Review of MTFSS • Clear service priorities • Analysis of Govt spending plans. • Savings programmes agreed and monitored • Annual review of cost base • Strategies for use of reserves 	M/T	CAB	12 / 9
4	<u>Workforce Issues</u> High turnover, low morale, lack of succession planning, skills gaps etc affect services. Reduced staffing capacity to manage transformation.	<ul style="list-style-type: none"> • Loss of key staff • Increased sickness • Poor performance and declining customer satisfaction • Excessive use of temporary staff to fill gaps • Inability to take forward change. 	<ul style="list-style-type: none"> • Organisational development and Workforce planning. • Monitoring of key personnel statistics. • Good staff communications processes • Staff assistance programme • Training and development strategies in place, resourced and monitored. 	M/T	CAB	16 / 12

Appendix A

Ref	Risk Description	Trigger	Control	Officer Resp	Member Resp	Scores Raw / Mitigate
5	<u>Waste & Environmental Services</u> Both - Impact of changes to disposal arrangement by BCC increase costs. CDC – Failure or poor performance of joint waste contract.	<ul style="list-style-type: none"> • Failure to use cost sharing model to forecast effect of changes • Poor performance of SERCO • BCC funding towards collection/recycling reduces • BCC disposal arrangements increase costs 	<ul style="list-style-type: none"> • Governance in place for joint contract. • Have adequate in-house knowledge of cost share model. • Co-ordinated approach by both Councils with BCC • Effective contract monitoring and good relationships with contractors • Good communications with residents. 	CM	MS LS	12 / 9
6	<u>Joint/Partnership working</u> Due to reduced resources and capacity partnership working diminishes and benefits are lost.	<ul style="list-style-type: none"> • Winding up of joint working groups • Lack of capacity to engage on joint working • Loss of key posts/personnel. • BCC/Police cuts having knock on effects for districts. 	<ul style="list-style-type: none"> • Co-ordinate and streamline representation on partnership groups • Monitor impact of changes arising from partner cut backs • Identify key partnerships to support 	M/T	CAB	4 / 4
7	<u>Business Continuity</u> Material service interruption or degradation, possibly combined with loss of data leading to costs and reputational damage	<ul style="list-style-type: none"> • Loss of accommodation, or access to accommodation. • Loss of ICT • Loss of data/information • Loss of staff (e.g. flu epidemic) 	<ul style="list-style-type: none"> • Clear senior management arrangements for responsibility on business continuity • Business continuity plans in place. • ICT DR plans in place • Maximise reciprocal support arrangements across two Councils. 	MH	MSt TE	9 / 6
8	<u>Information Management & Security</u> Loss or data, or inappropriate disclosure of sensitive data leads to financial costs and reputational damage. Inefficient service processes due to difficulty in using/retrieving data	<ul style="list-style-type: none"> • Sensitive data inappropriately disclosed leading to ICO investigation/fine. • Services affected by data loss or corruption. • Service improvements held back due to data management issues. • Poor FoI processing performance leading to ICO action. 	<ul style="list-style-type: none"> • Policies and procedures in place overseen by joint IG group, and made common where practical. • Communication and training for staff on policies and procedures • Officer mechanisms to enable corporate approach to be taken to information management • Information management incorporated in transformation projects as appropriate. 	SD	MSt TE	9 / 6
9	<u>New Legislative Changes</u> Failure to reasonably comply leads to financial costs and reputational	<ul style="list-style-type: none"> • Planning changes affect income base and causes dissatisfaction with residents. • Welfare reform changes 	<ul style="list-style-type: none"> • Corporate capacity to identify and analyse forthcoming legislative changes affecting the Councils. 	M/T	CAB	12 / 8

Ref	Risk Description	Trigger	Control	Officer Resp	Member Resp	Scores Raw / Mitigate
	damage. Substantial changes in Govt policies or direction.	impact and cost more than anticipated, or coped with in the short term. <ul style="list-style-type: none"> Govt drive for Transparency in Local Govt accelerates increasing demand on resources 	<ul style="list-style-type: none"> Analyse and produce action plans for Welfare Reform changes. Analyse and respond to changes to Planning system. Use of professional or local authority network groups to gain and share knowledge. 			
10	<u>Affordable Housing</u> Increase in temporary accommodation numbers, migration of young people and families out of area affecting sustainability of communities.	<ul style="list-style-type: none"> Material sustained rise in temporary accommodation numbers and costs. Shortage of supply of affordable housing sites/schemes, affected by change in Govt policy. Issues with Local Plan over delivery of new housing units. 	<ul style="list-style-type: none"> Housing strategies in place and regularly reviewed Good relationships between housing and planning services. Resources identified to support housing schemes 	MH	GH PK	12 / 12
11	<u>Major Infrastructure Projects Impacts.</u> Detrimental impact on local communities and environment. Costs to authorities in defending local area from worst impacts	<ul style="list-style-type: none"> HS2 on going legal action etc Outcome of aviation review Rail issues in the Iver area Major new planning applications, e.g Wilton Park; Newlands Park 	<ul style="list-style-type: none"> Impact assessments made formally or informally on major projects. Clear Council position on a particular proposal. Lobbying mechanisms identified Member communications strategy in place Communication strategies with residents on any major proposals Resources identified to fund actions or responses 	M/T	ID RB	20 / 15
12	<u>Demographic Changes</u> Service delivery not flexible enough to cope with changes in demographics in the medium term, leading to service gaps and increased dissatisfaction levels.	<ul style="list-style-type: none"> Declining service satisfaction. Increase in reactive changes or interventions. Resources not matching needs. Increased social isolation. Weakening community cohesion. 	<ul style="list-style-type: none"> Corporate analysis of Census and related data Incorporate Census data into service planning Communicate key messages to members Take into account in service design/delivery 	M/T	CAB	6 / 3
13	<u>Property/Asset Management</u> Inefficient use of assets increase costs and reduce service usage and satisfaction	<ul style="list-style-type: none"> Rise in unplanned maintenance Loss of use of facilities Unnecessary costs of holding assets Issues for key assets, e.g. Chiltern Pools; Car Parks; Capswood 	<ul style="list-style-type: none"> Asset Management Plans in place and reviewed Professional advice used where appropriate Resources in place to support AMPs 	CM	MS TE	9 / 6

AppendixA

Ref	Risk Description	Trigger	Control	Officer Resp	Member Resp	Scores Raw / Mitigate
14	<u>Economic Viability</u> Local employment and business activity declines	<ul style="list-style-type: none"> • Local labour shortages, skills issues for employers. • Ending of small business rate relief scheme. • Decline in town centre high streets vitality • Increase in empty business rates • Lack of confidence among local business groups 	<ul style="list-style-type: none"> • Good liaison arrangements with local businesses • Monitor key indicators of the local economy • Take advantage of opportunities. 	M/T	PM NN	3 / 2

SBDC AUDIT COMMITTEE WORK PROGRAMME

Classification: OFFICIAL

Members are asked to consider whether there are any items they wish to add to, or move within, the proposed work programme

Topic	Frequency	17 Mar 16	Jun 16	Sept 16	Jan 17	Mar 17
Risk Management						
Risk Management Update	Annual					
Assurance Statements						
Annual Governance Report	Annual					
Standards of Conduct Report	As and when					
Update on Governance / Internal Control Issues	As and when					
Internal Audit						
Audit Plan	Annual					
Interim Progress Reports	Each meeting					
Follow up of Internal Audit Recommendations Report	Annual					
Comparison of Assurance Levels	Annual					
Annual Internal Audit Report	Annual					
Fraud & Corruption						
Fraud & Corruption Annual Report	Annual					
External Audit						
Annual Audit Plan	Annual					
Annual Assurance Letter from Committee	Annual					
External Audit Results Report	Annual					
Certification of Claims & Returns Report	Annual					
Annual Audit Letter (Sent out by email to all Members)	-					
Statement of Accounts						
Approval of Main Accounts	Annual					
Approval of Farnham Charitable Trust Accounts	Annual					
Other						
Contract & Financial Procedure Rules	As necessary					
Training	As necessary					
Work Programme	Each meeting					

Classification: OFFICIAL

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**SOUTH BUCKS DISTRICT COUNCIL
STANDARDS WORK PROGRAMME
2016/2017**

		2016			2017	
		Contact	23.06.16	29.09.16	19.01.17	16.03.17
23.06.16						
	<ul style="list-style-type: none"> Complaints Monitoring Report 2015/16 Appointment of Independent Person 	Joanna Swift Joanna Swift	X X			
29.09.16						
	<ul style="list-style-type: none"> Annual Review of Code of Conduct and Complaints Procedure Subscription to Standards Exchange 	Joanna Swift Joanna Swift		X X		
19.01.17						
	<ul style="list-style-type: none"> Review of Protocol on Role of the Monitoring Officer Training and workshops for members on standards issues 	Joanna Swift Joanna Swift			X X	
16.03.17						
	<ul style="list-style-type: none"> Update on Standards Framework Review of work programme 2017/18 	Joanna Swift Joanna Swift				X X

SUBJECT:	Review of Guidance on Dispensations
REPORT OF:	Monitoring Officer
RESPONSIBLE OFFICER	Joanna Swift
REPORT AUTHOR	Joanna Swift
WARD/S AFFECTED	None

1. Purpose of Report

This report considers whether the current procedures for granting dispensations to members remains fit for purpose.

RECOMMENDATION

The Committee is invited to note the information in this report and consider whether any changes should be made to the Council's current guidance.

2. Reasons for Recommendations

It is good practise for the Council to review its adopted policies and procedure on a regular basis to ensure they remain relevant and effective.

3. Content of Report

- 3.1 Under section 33 of the Localism Act a dispensation may be granted to enable a member who has a disclosable pecuniary Interest (DPI) or a prejudicial interest in an item of Council business to participate in the following circumstances:-
- That so many members have a DPI that it would impede the transaction of business i.e. the meeting would be inquorate
 - That without a dispensation the political balance of the meeting would be so upset as to alter the outcome
 - That the Council considers a dispensation is in the interests of the persons living in the District
 - That without a dispensation no member of the Cabinet would be able to participate on the matter
 - That the Council considers that it is otherwise appropriate to grant a dispensation
- 3.2 As dispensations are usually needed quite speedily and between Committee/meeting cycles, the Council agreed in July 2012 to delegate authority to grant dispensations to the monitoring officer in consultation with the Chairman or Vice-Chairman (if appointed) of this Committee in consultation with the Independent Person. Criteria for the granting of dispensations, together with guidance for members and an application form were agreed by the Standards Committee in September 2012 and reviewed September 2013. These documents are appended to this report and are available on the intranet.
- 3.3 Members applied for dispensations en bloc in respect of the Council Tax setting in February 2013 and this has recently been repeated to cover Council Tax setting

from 2016 to 2019. Because the exemption contained in the previous statutory Code of Conduct for members when setting Council Tax was not replicated in the DPI Regulations there is a risk that members liable to pay SBDC Council Tax could have a DPI. The number of members with a DPI means the Council meeting would be inquorate. Whilst the legal position is open to interpretation other authorities in the County and elsewhere have arranged for dispensations to be granted to their members. As failure to disclose a DPI is a criminal offence the monitoring officer has advised that members liable to pay South Bucks DC Council Tax should apply for a dispensation.

- 3.4 A special proforma application was prepared to assist members and following receipt of all the applications the monitoring officer consulted with the Chairman of this Committee and the Independent Person to issue the necessary dispensations before the meeting of Full Council last month to set the Council Tax.
- 3.5 The procedure appears to work effectively in relation to the Council Tax setting dispensations. As there have been no changes to the relevant legislation since the current documentation was last reviewed the monitoring officer considers it remains fit for purpose. However, as matter of good practise both the procedure and associated documentation should continue to be subject to annual review.

4. Consultation

Not applicable at this stage

5. Options

The Committee has the option of proposing changes to the guidance and this would be the subject of wider consultation with members before formal consideration by Full Council.

6. Corporate Implications

Financial - None
Legal – As set out in the report
Risks issues – None
Equalities - None

7. Links to Council Policy Objectives

Whilst there is no direct link to the Council's main objectives the adoption and regular review of guidance on dispensations supports arrangements to ensure good governance of the Council.

8. Next Steps

Consultation would be undertaken with the wider Council membership on any proposed changes.

Background Papers:	None except those referred to in the report
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SUBJECT:	Update on Standards Framework
REPORT OF:	Monitoring Officer
RESPONSIBLE OFFICER	Joanna Swift
REPORT AUTHOR	Joanna Swift
WARD/S AFFECTED	None

1. Purpose of Report

To report on compliance with requirements of the standards framework following the local elections in May 2015

RECOMMENDATION

That the Committee note the current position, review the notification form for disclosable pecuniary and non-pecuniary interests and consider any further action that may be required.

2. Reasons for Recommendations

To ensure the Council meets its statutory duty of promoting and maintaining high standards of conduct amongst its members

3. Content of Report

- 3.1 The standards framework introduced by the Localism Act 2011 requires every newly elected member to notify the monitoring officer of their disclosable pecuniary interests (DPI's), within 28 days of taking office. Following the elections on 7 May members took up office on Monday 11 May and the deadline for notification of DPI's was Monday 8 June. Under the Council's code of conduct members are also required to notify the monitoring officer of their personal interests within 28 days of taking office. Both sets of interests must be open to public inspection and published on the Council's website. A copy of the notification form issued to members with their Induction Pack is attached to this report for ease of reference
- 3.2 The monitoring officer is pleased to report that all new councillors returned their notification forms by 8 June and all returning councillors had done so by 12 June. The details have been entered into the Council's democratic services software system modern.gov and appear below each councillor's contact details on the website
- 3.3 The monitoring officer would welcome feedback on the notification form which was amended for these elections to include covering guidance notes and a glossary of terms, examples of the types of interest under each category and separate space for members' DPI's and those of their spouse /partner.
- 3.4 The monitoring office is also responsible for maintaining and publishing the registers of interests for members and co-opted members of the 12 town and parish councils in the District. These registers are currently being compiled and checked before

publication on the Council's website under the respective town/parish council's name.

- 3.5 Members need to notify the monitoring office of any new DPI's in items of Council business within 28 days of a relevant meeting and also update their personal interests within 28 days of any change occurring. Members can self-manage their interests pages on the modern.gov system and the monitoring officer will issue detailed guidance to assist members, as well as sending members an annual reminder to check their register entries

4. Consultation

Not applicable at this stage

5. Options

Members may wish to suggest changes to the notification form and request further updates on compliance with the framework. .

6. Corporate Implications

Financial – The cost of preparing or amending any forms or guidance would be met from within existing budgets

Legal – As set out in the report

Risks issues – Members could be at risk of prosecution or complaints if they fail to comply with the Localism Act requirements for declaration of pecuniary and non-pecuniary interests. The Council's decisions would be at risk of challenge if they are taken with bias or pre-determination

Equalities - None specific

7. Links to Council Policy Objectives

There are no direct links to the Council's main policy objectives. But the Council has a duty under the Localism Act 2011 to promote and maintain high standards of conduct by its members. Ensuring that all members (particularly new members to the Council) understand their obligations under the Council's code of conduct, is a matter of good governance and is important in preserving the confidence of local communities. .

8. Next Steps

The monitoring officer will issue guidance on how members access modern.gov to self-manage their interests' page.

Background	None except those referred to in the report
Papers:	