



Audit Committee

Date: 17 October 2019
Time: 7.00 pm
Venue: Committee Room 1
District Council Offices, Queen Victoria Road, High Wycombe Bucks

Membership

Chairman: Councillor M C Appleyard
Vice Chairman: Councillor R J Scott

Councillors: G C Hall, M Hanif, A Lee, Ms C J Oliver, N J B Teesdale and R Wilson

Standing Deputies

Councillors K Ahmed, Miss S Brown, R Gaffney and D Shakespeare OBE

Fire Alarm - In the event of the fire alarm sounding, please leave the building quickly and calmly by the nearest exit. Do not stop to collect personal belongings and do not use the lifts. Please congregate at the Assembly Point at the corner of Queen Victoria Road and the River Wye, and do not re-enter the building until told to do so by a member of staff.

Filming/Recording/Photographing at Meetings – please note that this may take place during the public part of the meeting in accordance with Standing Orders. Notices are displayed within meeting rooms.

Agenda

Item		Page
1	APOLOGIES FOR ABSENCE To receive any apologies for absence.	
2	MINUTES To confirm the minutes of the meeting held on 30 May 2019 (previously circulated)	
3	DECLARATIONS OF INTEREST To receive any disclosure of disclosable pecuniary interests by Members relating to items on the agenda. If any Member is uncertain as to whether an interest should be disclosed, he or she is asked if possible to contact the District Solicitor prior to the meeting. Members are reminded that if they are declaring an interest, they should state the nature of that interest whether or not they are required to withdraw from the meeting.	

Item	Page	
4	QUARTER 1 PERFORMANCE REPORT	1 - 12
5	EXTERNAL AUDIT ISA 260 REPORT (To follow)	
6	STATEMENT OF ACCOUNTS 2018/19 (To follow)	
7	TREASURY MANAGEMENT MID YEAR REPORT (To follow)	
8	HIGGINSON PARK DRAFT ACCOUNTS	13 - 32
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10	STRATEGIC RISK REGISTER	35 - 44
11	BUSINESS ASSURANCE MANAGER`S ANNUAL REPORT	45 - 55
12	AUDIT COMMITTEE WORK PROGRAMME	56
13	SUPPLEMENTARY ITEMS (IF ANY) If circulated in accordance with the five clear days' notice provision.	
14	URGENT ITEMS (IF ANY) Any urgent items of business as agreed by the Chairman.	

**For further information, please contact Iram Malik on 01494 421204,
committeeservices@wycombe.gov.uk**



Report For:	Audit Committee
Meeting Date:	Audit 10 October 2019
Part:	Part 1 - Open
If Part 2, reason:	N/A

SUMMARY

Title of Report:	2019/20 Quarter 1 Performance Report
Officer Contact: Direct Dial: Email:	Harriet Baldwin, Performance and Improvement Officer 01494 421 888 Harriet.baldwin@wycombe.gov.uk
Ward(s) affected:	All
Reason for the Decision:	<p>That the Audit Committee should review performance to ensure that the Council is performing at the appropriate level</p> <p>Corporate business planning and monitoring contributes to the discharge of the Council's functions as authorised by Section 111 of the Local Government Act 1972.</p>

Proposed Decision:	<p>That:</p> <p>The Audit Committee note the 2019/20 Quarter 1 Key Performance Measures report.</p>
Sustainable Community Strategy/Council Priorities - Implications	<p>Performance measures provide information with regard to the achievement of key objectives and support the Council's priorities as set out in the Corporate Plan</p> <p>Risk is assessed alongside performance management measures but reported separately</p> <p>Equalities issues are considered by each service area in the planning and delivery of their services</p> <p>Health & Safety: N/A</p>
Monitoring Officer/ S.151 Officer Comments	<p>Monitoring Officer:</p> <p>Under Section 111 of the Local Government Act 1972, a local authority shall have power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions. Corporate business planning and monitoring contributes to the discharge of the Council's functions and is authorised by Section 111.</p> <p>S.151 Officer:</p> <p>There are no direct financial implications of this report.</p>
Consultees:	N/A
Options:	N/A
Next Steps:	This report will be published on the WDC website.

	The next Performance Report for Quarter 2 2019/20 will be brought to the Audit Committee meeting on 12 December 2019.
Background Papers:	N/A
Abbreviations:	MHCLG: Ministry of Housing, Communities & Local Government CSC: Customer Service Centre

Appendices to this report are as follows:

Appendix 1: 26 Key Performance Measures: 2019/20 Quarter 1

1. Detailed Report

Background

Regular monitoring of performance enables areas of underperformance to be identified and rectified in “real time”.

The quality of the data is monitored regularly to ensure that it is fit for purpose for decision making and complies with the characteristics of good data quality as set out by the Audit Commission and embedded within the Council’s performance management framework and data quality policy.

Corporate Key Performance Measures (KPMs)

These 26 measures cover all performance from all service areas as set out in Service Plans 2019/20. This list builds on the KPMs reported regularly over past years with a couple of additions, including website visitors, page views and sessions and some additional measures around waste and customer service. These KPMs are produced by the Services for management information and provided to the Performance team. Results against all of the 26 measures are set out in the report.

Commentary on the individual KPMs is set out in the latest note column of the report. Where targets have been set then the status column notes whether the target has been met or not (even when missed by 0.1%). The trend chart shows graphically performance over the past year.

This report sets out KPMs by service area but we are also monitoring the KPMs against corporate priorities as set out below. Full details are in Appendix 1, together with commentary and explanation of performance against target.

People priority

Number of households in temporary accommodation	Monitor only
Total number of approaches made to the housing team	Monitor only

Place priority

% of household waste reused, recycled and composted	Exceeded target
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% of household waste recycled	Did not reach target
Tonnes of household waste recycled	Did not reach target
% household waste composted	Exceeded target
Tonnes of household waste composted	Exceeded target
% of programmed food premises interventions carried out	Did not reach target
Major Planning applications: decision in 13 weeks	Exceeded target
Non Major Planning Applications: decision in 8 weeks	Exceeded target
Other planning applications: decision in 8 weeks	Exceeded target

Prosperity priority

Collection of Council Tax	Did not meet target (0.1%)
Collection of Business Rates	Did not meet target (0.3%)
Speed of processing new claims (Housing Benefit)	Exceeded target
Speed of processing changes (Housing Benefit)	Exceeded target
Building control work carried out in house	Exceeded target

Progress priority

Website users	Exceeded target
Website sessions	Exceeded target
Website page views	Did not meet target
Complaints replied to within the agreed timescales	Did not meet target
% of Land Charge searches in 10 working days	Exceeded target
Calls resolved at first point of contact	Exceeded target
Call centre abandoned calls	Exceeded target
% Calls answered in 20 seconds	Exceeded target
% customers with an appointment seen within agreed timescales	Exceeded target
Staff sickness absence	Did not meet target

A further 73 Key Performance Measures are collected and monitored by the services and reported to SMB.

This is a new format of reporting through the Pentana system, aligned with the reporting introduced in 2018/19 by Bucks County Council and also proposed to be used by CSBDC. The reports look slightly different to those provided for previous years but the baseline information, results against targets, historic data and trends are all retained.

The Unitary Performance and Insight sub group is progressing its work in bringing together the KPMs from the Districts and the County Council and this will feed into the development of KPMs for 2020/21 for the new Buckinghamshire Council.

Key Performance Measures: Q1 2019/20: Corporate Reported Measures




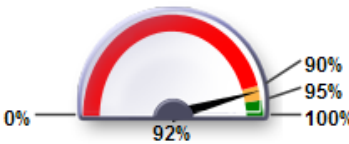
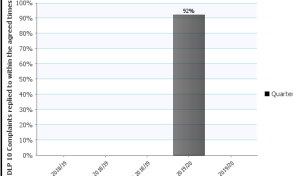


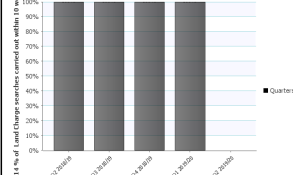
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Responsible OUs Democratic, Legal and Policy Services


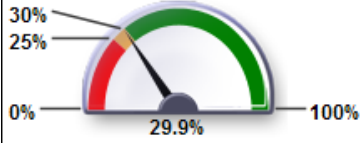
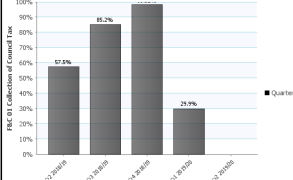

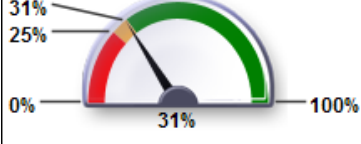
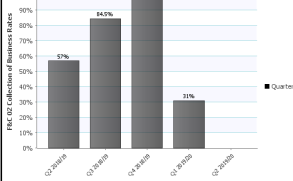

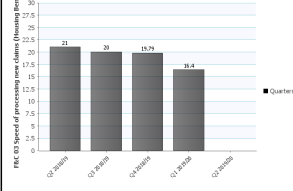

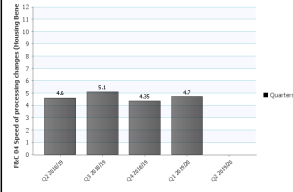
Code & Short Name	Aim to	Q1 2019/20		Status	Gauge	Trend Chart	Responsible OUs	Latest Note
		Value	Target					
DLP 07 Website users	Aim to Maximise	189,397	147,500	✔	<p>Q1 2019/20 result</p>		Democratic, Legal and Policy Services	New PI for 2019/20. The targets for all the digital media KPMs were calculated based on continuing and increasing growth based on data from the previous 4 years.
DLP 08 Website sessions	Aim to Maximise	358,457	337,500	✔	<p>Q1 2019/20 result</p>		Democratic, Legal and Policy Services	New PI for 2019/20
DLP 09 Website page views	Aim to Maximise	1,508,920	1,650,000	⚠	<p>Q1 2019/20 result</p>		Democratic, Legal and Policy Services	New PI for 2019/20. Page views versus sessions will be monitored as the year progresses and more data is recorded. It is not yet possible to draw conclusions from the numbers of page views compared with sessions - it is possible that users are finding the information quickly via the first page view or it could be that users are not interested to look more widely on the website.

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Agenda Item 4


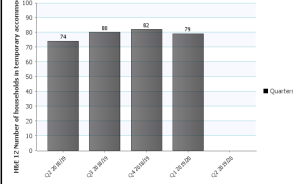

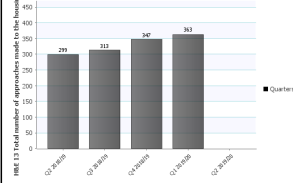
Code & Short Name	Aim to	Q1 2019/20		Status	Gauge	Trend Chart	Responsible OUs	Latest Note
		Value	Target					
DLP 10 Complaints replied to within the agreed timescales	Aim to Maximise	92%	95%		<p>Q1 2019/20 result</p> 		Democratic, Legal and Policy Services	New PI for 2019/20. There has been an increase in volume of complaints in Q1 which has led to the target not being achieved.
DLP 14 % of Land Charge searches carried out within 10 working days	Aim to Maximise	100%	95%		<p>Q1 2019/20 result</p> 		Democratic, Legal and Policy Services	The average turnaround time for Land Charge searches is 2.47 days

Responsible OUs Finance and Commercial Services

Code & Short Name	Aim to	Q1 2019/20		Status	Gauge	Trend Chart	Responsible OUs	Latest Note
		Value	Target					
F&C 01 Collection of Council Tax	Aim to Maximise	29.9%	30%		 <p>Q1 2019/20 result</p>		Finance and Commercial Services	Annual target of 98.8%. Results are reported cumulatively
F&C 02 Collection of Business Rates	Aim to Maximise	31%	31.3%		 <p>Q1 2019/20 result</p>		Finance and Commercial Services	Annual target of 98.8%. Results are reported quarterly, cumulatively
F&C 03 Speed of processing new claims (Housing Benefit)	Aim to Minimise	16.4	22				Finance and Commercial Services	Results show that new claims are being processed more quickly for Q1 2019/20.
F&C 04 Speed of processing changes (Housing Benefit)	Aim to Minimise	4.7	7				Finance and Commercial Services	Results show that changes to claims are being processed more quickly for Q1 2019/20

Responsible OUs Housing, Environment and Community

Code & Short Name	Aim to	Q1 2019/20		Status	Gauge	Trend Chart	Responsible OUs	Latest Note
		Value	Target					
H&E 01 % of household waste reused, recycled and composted	Aim to Maximise	54.96%	52.8%	✔	<p>Q1 2019/20 result</p>		Housing, Environment and Community	More recycling, composting and reuse than refuse
H&E 02 % of household waste recycled	Aim to Maximise	21.1%	25.2%	⚠	<p>Q1 2019/20 result</p>		Housing, Environment and Community	It has been necessary to bail cardboard/paper at the Paper Sort Facility, and therefore this tonnage will be reflected later in the year.
H&E 03 Tonnes of household waste recycled	Aim to Maximise	5,328.99	23,558	?			Housing, Environment and Community	Annual target. Results are recorded quarterly. The high tonnage is reflective of the growing season
H&E 04 % household waste composted	Aim to Maximise	33.83%	28.4%	✔	<p>Q1 2019/20 result</p>		Housing, Environment and Community	Reflective of high growing season
H&E 05 Tonnes of household waste composted	Aim to Maximise	8,547.13	27,525	?			Housing, Environment and Community	Annual target. Results are recorded quarterly.
H&E 11 % of programmed food premises interventions carried out	Aim to Maximise	84.8%	90%	⚠	<p>Q1 2019/20 result</p>		Housing, Environment and Community	It has taken longer than anticipated to mobilise the contractor. This has now taken place and the inspections missed will be completed by the end of the current quarter.






Code & Short Name	Aim to	Q1 2019/20		Status	Gauge	Trend Chart	Responsible OUs	Latest Note
		Value	Target					
H&E 12 Number of households in temporary accommodation	Aim to Minimise	79			Q1 2019/20 result 79		Housing, Environment and Community	Monitor only
H&E 13 Total number of approaches made to the housing team	Aim to Maximise	363			Q1 2019/20 result 363		Housing, Environment and Community	Monitor only

Responsible OUs HR, ICT & Facilities Management

Code & Short Name	Aim to	Q1 2019/20		Status	Gauge	Trend Chart	Responsible OUs	Latest Note
		Value	Target					
CSC 02 Calls resolved at first point of contact	Aim to Maximise	91.2%	85%	✔	<p>Q1 2019/20 result</p>		HR, ICT & Facilities Management	
CSC 03 Abandoned calls	Aim to Minimise	3.4%	5%	✔	<p>Q1 2019/20 result</p>		HR, ICT & Facilities Management	
CSC 04 % Calls answered in 20 seconds	Aim to Maximise	76.2%	70%	✔	<p>Q1 2019/20 result</p>		HR, ICT & Facilities Management	
CSC 05 % customers with an appointment seen within 15 mins of their scheduled appointment	Aim to Maximise	91%	80%	✔	<p>Q1 2019/20 result</p>		HR, ICT & Facilities Management	
HR 01 Sickness absence	Aim to Minimise	7.9%	6.8%	⚠	<p>Q1 2019/20 result</p>		HR, ICT & Facilities Management	The figure is above target due to the impact of two particularly long absences.

Responsible OUs Planning and Sustainability Services

Code & Short Name	Aim to	Q1 2019/20		Status	Gauge	Trend Chart	Responsible OUs	Latest Note
		Value	Target					
P&S 01 Major Planning applications: determined in 13 weeks	Aim to Maximise	87%	60%	✓	<p>Q1 2019/20 result</p>		Planning and Sustainability Services	
P&S 02 Minor Planning Applications: determined in 8 weeks	Aim to Maximise	70%	65%	✓	<p>Q1 2019/20 result</p>		Planning and Sustainability Services	
P&S 03 Other Planning Applications: determined in 8 weeks	Aim to Maximise	86%	80%	✓	<p>Q1 2019/20 result</p>		Planning and Sustainability Services	
P&S 10 Building control work carried out in house	Aim to Maximise	76%	80%	⚠	<p>Q1 2019/20 result</p>		Planning and Sustainability Services	<p>Due to the difficulties in obtaining PI insurance some Approved Inspectors are withdrawing from the market. This is leading to some of the "lost" applications being reverted back to us. There is a growing lack of trust within the private building control market and so we are using this situation as an opportunity to improve our client trust which we hope will lead to increase new and repeat work.</p>

PI Status	
	Alert
	Warning
	OK
	Unknown
	Data Only

Long Term Trends	
	Improving
	No Change
	Getting Worse

Short Term Trends	
	Improving
	No Change
	Getting Worse



Report For:	Audit Committee
Meeting Date:	Audit 10 October 2019
Part:	Part 1 - Open
If Part 2, reason:	N/A

Title of Report:	Consider and note the Draft Higginson Park Charity Annual Report 2018/19
Officer Contact: Direct Dial: Email:	Julia Turner 01494 421278 Julia.Turner@wycombe.gov.uk
Ward(s) affected:	All
Reason for the Decision:	<p>The Charities Act 2011 requires to produce a statement of accounts for each year. These accounts must be approved by Trustees and Wycombe Council is the sole Trustee for The Higginson Park Charity.</p> <p>This report provides committee with the opportunity to consider the draft Annual Report ahead of recommending the audited Annual Report for approval to the Council at December 2019 meeting.</p>
Proposed Decision/Recommendation:	<p>The Committee is asked to::</p> <p>Consider and note the Higginson Park Charity's draft unaudited Annual Report and Financial Statement for the year ended 31 March 2019 attached at Appendix A. The Charity's audited accounts will be provided to the committee for consideration and recommendation to Council for approval in December 2019</p>
Sustainable Community Strategy/Council Priorities - Implications	Risk: n/a Equalities: n/a Health & Safety: n/a
Monitoring Officer/ S.151 Officer Comments	<p>Monitoring Officer: The report addresses the statutory obligations placed on the Council as Trustee of the Higginson Park Charity, pursuant to section 132 of the Charities Act 2011.</p> <p>S.151 Officer: This is a Section 151 Officer report and all the financial implications are included in the report</p>
Consultees:	n/a
Options:	n/a

Next Steps:	The Charity's audited accounts will be provided to the committee in December 2019 for consideration and recommendation to the Council for approval.
Background Papers:	Charities Act 2011 Statement of Recommended Practice Working papers are held by Accountancy in Finance and Commercial
Abbreviations:	n/a

Appendices to this report are as follows:

Appendix A – Higginson Park Charity draft Annual Report and Financial Statement for the year ended 31 March 2019.

1. Detailed Report

1. The draft Annual Report and the Financial Statements for the year ended 31 March 2019 have been prepared in accordance with the requirements of the Charities Act 2011 and has adopted the provisions of Accounting and Reporting by Charities Statement of Recommended Practice and Financial Reporting Standards.
2. The unaudited draft financial statements are included at Appendix A. Net income of the trust was (£0.185m) and the trust had assets worth £9,089m at the end of the financial year 31 March 2019.
3. The Higginson Park Trust accounts will be audited by Seymour Taylor Audit Limited.
4. The audited Annual Report and Financial Statements will be presented to the Committee at its December 2019 meeting.

Charity Number: 284420

HIGGINSON PARK CHARITY

Trustee's Draft Annual Report and Financial
Statements for the year ended
31 March 2019

The Higginson Park Charity
Trustee's Annual Report for the year ended 31 March 2019

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UNAUDITED

Registration Number : 284420

Registered Address : Queen Victoria Road
High Wycombe
Bucks
HP11 1BB

Name of Trustee : Wycombe District Council

Address of Trustee : Queen Victoria Road
High Wycombe
Bucks
HP11 1BB

Contact : David Skinner
Head of Financial Services

Address : Queen Victoria Road
High Wycombe
Bucks
HP11 1BB

Solicitor : District Solicitor (Wycombe District Council)

Address : Queen Victoria Road
High Wycombe
Bucks
HP11 1BB

Auditors : Seymour Taylor Audit Limited

Address : 57 London Road
High Wycombe
Bucks
HP11 1BS

TRUSTEE'S ANNUAL REPORT

The Trustee submits the Report and Financial Statements for the year ended 31 March 2019. The Trustee has adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Structure, Governance and Management

Higginson Park was acquired in October 1928 following the death of its owner in 1921. Funds were raised by private subscription for its purchase for the benefit of the Town of Marlow and to commemorate the one hundredth birthday, on 21 June 1926, of General Sir George Higginson.

Initially, trustees were appointed to administer the funds. Later, a company limited by guarantee was formed to administer the Trust Property - The Higginson Park Society Limited - and in 1928 this Company took a conveyance of part of the property, including Court Garden House. The remainder of the estate was conveyed to Marlow Urban District Council, subject to a covenant to use it as a public park and recreation ground. In 1933, Marlow Urban District Council acquired a 99-year lease of Court Garden House (with no covenant as to use or user) and commenced using the House as offices in 1934.

Subsequently in 1955, Marlow Urban District Council acquired the freehold of Court Garden House when the then lease was merged and extinguished in the freehold, subject to a covenant to use it for recreational purposes. Notwithstanding the covenant, the House continued to be used partly as offices.

In 1974, on local government re-organisation, Wycombe District Council assumed the management and administration of Higginson Park and Court Garden House, including the completion of the Theatre Hall and Leisure Complex, which had been commenced by Marlow Urban District Council.

The charity is currently regulated by a Scheme of the Charity Commissioners of 19 January 1982 with Wycombe District Council, a local authority, being the sole Trustee. The District Council, as Trustee, has the power to make and alter rules with reference to the terms and conditions upon which the property of the charity may be used by other persons or organisations and may engage and dismiss paid officers and servants as it considers necessary. It is also entitled to use the charity's income for the cost of repairs, insurance and all other expenditure in respect of the property including incidental administration and management expenses.

Objectives and Activities

The charity has use of land and buildings which are used primarily for its charitable purpose. Wycombe District Council as Trustee of the charity is under a duty to apply the charity's property in or towards achieving this purpose, being: 'the provision and maintenance for the benefit of the inhabitants of the district of Wycombe, with particular regard for the inhabitants of the Town of Marlow, of a public park, ornamental gardens and recreation ground, with such facilities for physical exercise, training, lectures, classes and other forms of recreation or leisure-time occupation in the interests of social welfare, with the object of improving the conditions of life for the said inhabitants as the Trustee shall from time to time think fit.'

The charity property includes the following;

- 15 acres of Higginson Park which is general parkland
- a bowling green
- a children's playground
- a cricket ground
- a maze
- a skate park
- a leisure complex

The charity provides a range of indoor and outdoor sports and recreation opportunities to the community with access for all to make use of the available facilities. A wide range of activities takes place over the course of the year, with many events held annually including regular use by local community groups and voluntary organisations. Registered local community groups and voluntary organisations are eligible for a 10% discount on the standard hire price of facilities at Court Garden Leisure Complex. The Trustee's objectives include improving the availability of high quality, accessible leisure opportunities.

Public Benefit Statement

The trustee has due regard to the Charity Commission's public benefit guidance when setting objectives and planning activities. The following objectives and activities in the Trustee's opinion accords with the Charity Commission's public benefit requirements for Charities. The provision and maintenance for the benefit of the inhabitants of the district of Wycombe with particular regard for the inhabitants of the town of Marlow of a public park, ornamental gardens and recreation ground with such facilities for physical exercise, training, lectures, classes and other forms of recreation or leisure-time occupation in the interests of social welfare with the object of improving the conditions of life for the said inhabitants as the Trustee shall from time to time think fit.

Achievements and Performance

The Park retained its Green Flag award in 2018/19. The Park hosted: Pub in the Park Festival over three days; the annual Marlow Town Regatta & Festival; two Triathlon events; and, a range of other smaller charitable events.

Financial Review

The management of Court Garden Leisure Complex, ('CGLC') which forms part of the Trust, is contracted to Places for People Leisure Ltd for 15 years started on the 1st of July 2014 following an OJEU tender process. The Trustee directly manages the remainder of the Trust property. In consideration of local needs the Trustee revised its policy in 1997 to ensure organisations considered local to Marlow are guaranteed bookings at reduced charges with safeguards to ensure equality of opportunity and access for everyone. Places for People Leisure Ltd and Wycombe District Council continue their commitment to community development.

2018/19 saw an increase in Swimming and decrease in Dry activity sports, the latter could be the result of competition from other providers as well adverse weather conditions.

Performance Statistics – Admissions

	2017/2018	2018/2019	% Change
Swimming	41,853	42,636	1.87
Dry Sports/Activities	82,271	75,546	-8.17

As part of the management contract, Places for People Leisure is entitled to the income from charges for the use of the leisure complex. It is intended that any surpluses will be reinvested in maintaining and enhancing the facilities.

The capital expenditure continues to be funded by the Trustee. There were no additions to Property, Plant and Equipment during 2018/19. The depreciation charge was £141,717.

Going Concern Statement

The Charity has total funds of £9m as at 31st March 2019. Over the past two years, the Charity has been self-sufficient in its operating activities resulting into net annual gains which are set aside in an unrestricted fund for future investments. In addition to this Wycombe District Council is committed to the on-going support if and when required of the services and activities provided by the charity. Therefore, the Charity is considered to be a going concern for the foreseeable future.

Plans for the Future

The works identified in the ten-year Park Management Plan continues and includes ensuring that Higginson Park maintains its Green Flag Award for the foreseeable future and maintaining the now established Friends Group for the Park to support improvements.

A feasibility study was completed in March 2016 to identify options for the leisure & recreational facilities on the site. The recommendation from this report to undertake a major refurbishment of the Leisure Complex was adopted by Wycombe District Council and a budget of £2M allocated. The works are going to commence from September 2019.

Statement of Internal Control

This statement is given in respect of the statement of accounts for Higginson Park Charity. The Trustee acknowledges its responsibility for ensuring that an effective system of internal control is maintained and operated in connection with the resources concerned.

The system of internal control can provide only reasonable and not absolute assurance that assets are safeguarded, that transactions were authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

The system of internal control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision and a system of delegation and accountability. In particular the system includes:

- Comprehensive budgeting systems; and
- Regular reviews of financial reports.

The Audit Committee will monitor the progress of the identified risks that have been evaluated for frequency and impact using a five by five matrix and graded according to a “traffic light” system. Red represents a material risk that may need urgent management attention moving from orange to green risks that probably require little or no attention.

The majority of identified risks are not high risks and the risk register is a live document: regularly monitored and updated.

The trustee has overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reassurance that:

- Its assets are safeguarded against unauthorised use or disposition;
- Proper records are maintained and financial information used within the Charity or for publication is reliable; and
- The Charity complies with relevant laws and regulations.

As part of the Charity's risk management process the trustee acknowledges their responsibility for the Charity's system of internal control and reviewing its effectiveness. It is also recognised by the trustee that such a system is designed to manage rather than eliminate the risk of failure to achieve the Charity's objectives and can only provide reasonable, not absolute, reassurance against material misstatement or loss.

The trustee has set policies on risk and internal controls, which cover the following areas in line with the Council's own approach:

- The responsibility of management to implement the trustees' policies and identify and evaluate risks for their consideration on an on-going basis;
- Consideration of the type of risks the Charity faces;
- The level of risks which they regard as acceptable;
- The likelihood of the risks concerned materialising;
- The Charity's ability to reduce the incidence and impact on the business of risks that do materialise;
- Arrangements for monitoring and reporting on risk and control matters of importance, together with details of corrective action being undertaken.

The Charity (through the Audit Committee) has formally reviewed its own risk arrangements and believes that suitable controls are in operation to protect the Charity from exposure to high risks. Staff are properly trained to manage the operational risks that are inherent within the area that the Charity works within.

Reserves Policy

The Charity holds unrestricted funds of £255k (2018: £103k).

Statement of Trustees responsibilities

The Trustee is responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and Financial Reporting Standards applicable to the UK.

The law applicable to charities in England & Wales, the Charities Act 2011, Charity (Reports) Regulations 2008 and the provisions of the trust deed requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the Trustee is required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provision of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved and signed on behalf of the Trustee by

David Skinner, Head of Financial Services

6 September 2019

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF THE HIGGINSON PARK CHARITY

*To follow

UNAUDITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR END 31 MARCH 2019

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2019 £'000	Total Funds 2018 £'000
Income					
<i>Income from charitable activities</i>					
Operation of exercise facilities and park	3	290	-	290	296
<i>Income from other trading activities</i>					
Commercial trading	4	106	-	106	89
Total income		396	-	396	385
Expenditure					
<i>Expenditure on charitable activities:</i>					
Operation of exercise facilities and park	5	228	142	370	408
<i>Costs of raising funds:</i>					
Commercial Trading		16	-	16	21
Total expenditure		244	142	386	429
Net gains / (losses) on investments	8	-	175	175	-
Net income / (expenditure)		152	33	185	(44)
Gains / (losses) on revaluation of fixed assets	8	-	3,445	3,445	-
Net movement in funds for the year		152	3,478	3,630	(44)
Reconciliation of funds					
Total Funds brought forward		103	5,356	5,459	5,503
Total funds carried forward		255	8,834	9,089	5,459

BALANCE SHEET AS AT 31 MARCH 2019

	Note	Charity 2019 £'000	Charity 2018 £'000
Fixed assets			
Tangible assets	8	8,834	5,356
Total fixed assets		8,834	5,356
Current Assets			
Debtors	9	259	132
Total current assets		259	132
Liabilities			
Creditors: Amounts falling due within one year	10	(4)	(30)
Net Current assets		255	103
Total assets less current liabilities		9,089	5,459
Net assets		9,089	5,459
The funds of the charity:			
Restricted income funds		5,389	5,356
Unrestricted income funds		255	103
Revaluation reserve		3,445	-
Total charity funds	12-13	9,089	5,459

The notes at pages 11 to 17 form part of these accounts.

Approved and signed on behalf of the Trustee on 6 September 2019

David Skinner Head of Financial Services
Wycombe District Council
Queen Victoria Road
High Wycombe, HP11 1BB

NOTES TO THE FINANCIAL STATEMENTS

1 General Information

The Higginson Park Charity is a charity registered in England and Wales. The Registered Address and principal place of activity is Queen Victoria Road, High Wycombe, Bucks, HP11 1BB. The principal activities of the charity are as disclosed within the Trustee's Annual Report on pages 3-7.

The presentational currency of these financial statements is sterling (£), being the currency of the primary economic environment in which the charity operates. All amounts in the financial statements are rounded to the nearest £1,000 unless otherwise stated.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all years presented unless otherwise stated.

2 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a. Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS102 section) and the Financial Reporting Standard applicable in the UK.

b. Preparation of accounts on a going concern basis

At the time of approving the accounts, the trustees have a reasonable expectation that the charitable trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

c. Income

Income consists of rental income and charges. Income is included in the financial statements as it falls due except car parking and leisure activities income which is included in the accounts on a receipts basis. All income is shown exclusive of VAT.

NOTES TO THE FINANCIAL STATEMENTS – continued

d. Expenditure

Direct charitable expenditure is incurred on an accruals basis and includes maintenance of the property and provision of the activities of the charity. All expenditure is shown exclusive of VAT.

e. Capital expenditure

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis.

f. Tangible fixed assets

Property, Plant and Machinery are valued on the basis of depreciated replacement cost for the sport centre and car park. The areas of the main building and other commercially let premises have been valued at open market value. Changes in fair value on Investment Property is recognised above net income / expenditure on the Statement of Financial Activities in the period that they arise and revaluations of Property, Plant and Equipment are recognised below net income / expenditure. These valuations have been made in accordance with the Statement of Asset Valuation Principles and Guidance Notes issued by the Royal Institution of Chartered Surveyors (RICS). The latest valuation was undertaken on 31st March 2019 by Wilks Head & Eve Chartered Surveyors. The value below which Property, Plant and Equipment are not capitalised is £10,000.

g. Depreciation

Individual fixed assets are depreciated over their estimated useful economic lives on a straight line basis. The main building was revalued at the end of 2018/19. Other operational assets are depreciated over their estimated remaining useful lives. Freehold land is not depreciated. Assets included in the equipment classification are being depreciated at a rate of 10% on a straight line basis. The impact on the accounts is that a depreciation charge is made through the Statement of Financial Activities each year.

h. Impairment Review of Property, Plant and Equipment

Impairment reviews will be carried out only where there is some indication that the recoverable amount of a functional Property, Plant and Equipment is below its net book value.

i. Allocation of support costs

Wycombe District Council incurs costs, which are shared between numbers of activities, including those relating to the Charity. The Council apportions costs where necessary on the basis of the amount of officer time spent on the activities.

j. Taxation

The charity is exempt from taxation on its charitable activities.

NOTES TO THE FINANCIAL STATEMENTS – continued

k. Financial instruments

Financial Liabilities are recognised on the Balance Sheet when the the Trust becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are carried at the amortised cost.

Financial Assets are classified into three types as summarised below:

Category	Balance Sheet	SOFA
Amortised Cost	Amortised Cost	Movements in amortised cost are debited / credited to the surplus or deficit on the fund.
Financial Value through Other Comprehensive Income and Expenditure	Fair Value	Movements in fair value are debited / credited to Other Comprehensive Income and Expenditure
Financial Value through Profit & Loss	Fair Value	All gains and losses are posted to the fund

*As at 31st March 2019 The Trust does not have any financial instruments

l. Significant judgments and estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of income, expenditure, assets and liabilities. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change.

3 Income from charitable activities

	Unrestricted funds 2019	Unrestricted funds 2018
	£'000	£'000
Income from facilities for physical exercise	151	132
Income from other recreation or leisure-time occupation	139	164
Total income from charitable activities	290	296

NOTES TO THE FINANCIAL STATEMENTS – continued

4 Income from other trading activities

	Unrestricted funds 2019 £'000	Unrestricted funds 2018 £'000
Income from property	78	89
Income from events	28	0
Total income from other trading activities	106	89

5 Analysis of expenditure on charitable activities

	Facilities for physical exercise £'000	Other recreation or leisure-time occupation £'000	2019 Total £'000	2018 Total £'000
Car park costs	-	-	-	8
Depreciation	142	-	142	147
Maintenance of skate park	1	-	1	1
Maintenance to grounds	-	32	32	34
Repairs / Maintenance	6	-	6	50
Support costs (see note 7)	160	15	175	157
Business Rates	-	9	9	-
Various Fees	4	1	5	11
Total	313	57	370	408

6 Summary analysis of expenditure and related income for charitable activities

	Facilities for physical exercise £'000	Other recreation or leisure-time occupation £'000	2019 Total £'000	2018 Total £'000
Costs	(313)	(57)	(370)	(408)
Physical exercise	151	-	151	132
Recreation or leisure- time	-	139	139	164
Net cost funded from other income	(162)	82	(80)	(112)

NOTES TO THE FINANCIAL STATEMENTS – continued

7 Analysis of support costs

The charity does not directly employ any staff. Wycombe District Council employees and support services are apportioned between various activities; refer to the table below for the basis of the apportionment.

	Facilities for physical exercise	Other recreation or leisure-time occupation	Total	Basis of apportionment
Governance	5	-	5	Allocated on time
Insurance	20	3	23	Allocated on risk
Accountancy, legal and other professional services	51	9	60	Allocated on time
General office	73	13	86	Allocated on time
Utilities	1	-	1	
Total	150	25	175	

Expenditure on governance is the audit fees of £4,500 for the year ending 31 March 2019, (£4,200 for 2017/18)

8 Tangible fixed assets

	Investment Property £'000	Land & Buildings £'000	Equipment £'000	Total £'000
Costs or valuation				
At 1 April 2018	929	5,129	442	6,500
Add Additions	-	-	-	-
Revaluation	175	3,445	-	3,620
At 31 March 2019	1,104	8,574	442	10,120
Depreciation				
At 1 April 2018	-	707	437	1,144
Charge for the period	-	140	2	142
At 31 March 2019	-	847	439	1,286
Net Book Value				
At 31 March 2018	929	4,562	5	5,356
At 31 March 2019	1,104	7,727	3	8,834

Investment Property and Land & Buildings comprise of a leisure complex, a suite of offices, car park and a number of adhoc buildings leased by sports clubs. The assets were revalued with effect from 31st March 2019 by Wilks Head & Eve.

NOTES TO THE FINANCIAL STATEMENTS – continued

The historical cost of the Investment Property amounts to £1,048,500.

The carrying value of revalued Land & Buildings assets amounts to £7,727,472 and the carrying amount that would have been recognised had the assets been carried under the cost model amounts to £2,270,198.

9 Debtors

	2019 £'000	2018 £'000
Other Debtors	255	131
Trade debtors	4	2
	<u>259</u>	<u>133</u>

These amounts represent the Trustee's undertaking to cover all that expenditure properly incurred by the charity, which the charity cannot meet from its income on its activities.

10 Creditors: amounts falling due within one year

	2019 £'000	2018 £'000
Other creditors and accruals	4	4
Deferred income	-	26
	<u>4</u>	<u>30</u>

11 Deferred income

Deferred income comprises advance payments from commercial lessees.

	£'000
Balance as at 1 April 2018	26
Amount released to income earned from commercial trading	(26)
Amount deferred in year	-
Balance as at 31 March 2019	<u>0</u>

NOTES TO THE FINANCIAL STATEMENTS – continued

12 Analysis of movement in charitable funds

Restricted funds are capital funds where the asset is required to be retained for actual use rather than be expended. Accordingly, the only movements on restricted funds relate to the additions, revaluation and depreciation of tangible fixed assets.

Unrestricted funds are expendable at the discretion of the trustee in furtherance of the objects of the charity

	Note	Restricted £'000	Unrestricted £'000	Total £'000
Balance at 1st April 2018		5,356	103	5,459
Income in the year		-	396	396
Gains / (losses)		3,620	-	3,620
Expenditure in the year		(142)	(244)	(386)
Balance as at 31 March 2019		<u>8,834</u>	<u>255</u>	<u>9,089</u>

13 Analysis of net assets between funds

		Restricted £'000	Unrestricted £'000	Total £'000
Tangible fixed assets		5,389	-	5,389
Net current assets		-	255	255
Revaluation	8	3,445	-	3,445
		<u>8,834</u>	<u>255</u>	<u>9,089</u>

14 Related Party Transactions

Wycombe District Council as the sole Trustee to the Higginson Park Charity supports the functions of the Charity by paying a fee for the management of the facility and also funding any deficit of expenditure over income. In 2018/19 Wycombe District Council provided £nil funding (£nil in 2017/18).

A balance was due from Wycombe District Council to The Higginson Park Charity as at 31 March 2018 which amounted to £255,000 (2018: £131,000).



Report For:	Audit Committee
Meeting Date:	Audit 10 October 2019
Part:	Part 1 - Open
If Part 2, reason:	Choose a reason

Title of Report:	LOCAL AUDITOR PROGRESS REPORT 2018/19
Officer Contact: Direct Dial: Email:	Michael Howard 01494 421357 Mike.Howard@wycombe.gov.uk
Ward(s) affected:	All
Reason for the Decision:	<p>That the Audit Committee is informed of the formal discussions that have taken place, between the Local Auditor (Ernst Young) and Public Sector Audit Appointments (PSAA) the body that appoints the accountancy firms that undertake the external audit function for public sector bodies.</p> <p>Discussions have taken place following the Item discussed at the Audit Committee meeting of the 30th May 2019 and the need to receive assurances from both Ernst Young and PSAA following notification of the delay in completing the 2018/19 Final Accounts review.</p>
Proposed Decision/Recommendation:	<p>That:</p> <p style="padding-left: 40px;">The outcome of the discussions with EY and PSAA are noted</p>
Sustainable Community Strategy/Council Priorities – Implications.	<p>Risk: N/A</p> <p>Equalities: N/A</p> <p>Health & Safety: N/A</p>
Monitoring Officer/ S.151 Officer Comments	<p>Monitoring Officer:</p> <p>The additional processes proposed and implemented will contribute to the Council’s suite of arrangements for good governance and management of risk.</p> <p>S.151 Officer:</p> <p>There are no direct financial implications of this report.</p>
Consultees:	None

Options:	None
Next Steps:	
Background Papers:	
Abbreviations: LGA – Local Government Association PSAA - Public Sector Audit Appointments	

1. Detailed Report

Following the verbal update report from EY at the Audit Committee meeting of the 30th May 2019 as regards the need for EY to reschedule the 2018 /19 External Audit due to insufficient qualified resources.

It was agreed that assurances would be sought from both EY as the service provider as regards to their commitment to deliver against a revised timescale, the audit was rescheduled to commence - 9th September for a 4 week period.

A verbal update on progress of the delivery of the 2018/19 audit will be delivered at the meeting.

Assurances were also sought from PSAA, the body that appointed EY, as regards the controls and process they were to apply in order that EY fulfilled their requirement to deliver the revised 2018/19 timescale.

The Councils also contacted the Local Government Association and put on record the Councils dissatisfaction with the decision by EY to reschedule the Councils' 2018/19 external audit.

It should be noted that as a result of the discussions, EY provided the Council with a work programme covering the four week audit period, commencing the 9th September, confirmed the resources that would be used and the reporting process during the review period.

In addition, PSAA confirmed that they had met with EY and had been informed of EY's proposed work programme and the arrangements that had been put in place to provide the Council with the required level of assurance.

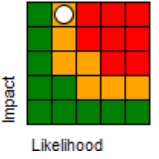


Report For:	Audit Committee
Meeting Date:	Audit 10 October 2019
Part:	Part 1 - Open
If Part 2, reason:	Choose a reason

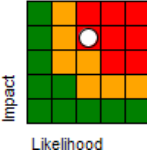
Title of Report:	Strategic Risk Register - Monitoring Report
Officer Contact: Direct Dial: Email:	Michael Howard – Business Assurance Manager 01494 421357 Mike.howard@wycombe.gov.uk
Ward(s) affected:	All
Reason for the Decision:	<p>Risk Management is the process of identifying and addressing the risks that either impact on the long term direction and sustainability of the Councils (strategic risks), or arise from the delivery of objectives as set out in the Councils Corporate plan (corporate /operational risks).</p> <p>Risk Management forms part of Wycombe District Council's approach to effective governance and is an essential element of good management.</p> <p>The Strategic Risk Register contains the most significant risks that could have an effect or impact on the delivery of the Councils' Corporate Plan and in doing so damage the Councils financial standing and its reputation.</p> <p>No new risks were identified during the reporting period.</p> <p>A previous risk relating to Unitary District Council Status (Pre-structural Change Orders) has been superseded in that the governance arrangements for the new Unitary Council are responsibility of the Shadow Authority and relevant Workstreams.</p> <p>Further information has been provided as regards Brexit as part of the External and Internal Regulatory framework (SR02)</p> <p>Strategic Board via the respective designated Risk Owners have provided their commentary as regards the content of individually assigned risks. .</p>

Proposed Decision/Recommendation:	That: The Committee is asked to NOTE the Monitoring Report for the Councils Strategic Risk Register.
Sustainable Community Strategy/Council Priorities – Implications.	Risk: Not applicable Equalities: Not applicable Health & Safety: Not applicable
Monitoring Officer/ S.151 Officer Comments	Monitoring Officer: The Strategic Register contributes to the Council’s suite of processes to support good governance. S.151 Officer: There are no direct financial implications of this report.
Consultees:	None
Options:	None
Next Steps:	None
Background Papers:	None
Abbreviations:	

Strategic Risk Register - Monitoring Report - September 2019

Risk	Current Risk	Consequences	Internal Controls	Assurance Level	Evidence of Assurance	Actions	Latest Note	Assigned To
SR01 Workforce skills and knowledge	 <p>Impact</p> <p>Likelihood</p>	<p>10</p> <ul style="list-style-type: none"> • Work is not completed to expected quality standards • Loss of key staff • Increase in complaints • Poor or inconsistent services • Projects not delivered on time / budget /quality • Unrealistic workloads leading to absence/ increased sickness levels. • Failure to attract, recruit and retain suitable staff • Loss of knowledge and expertise 	Key specialist roles identified and service resilience plan in place	Level 1 - Operational Management (Policies & Procedures)	At a Unitary Level, reports are produced for Chief Executive Implementation Group and the Resource Board that outlines: Turnover, Hard to fill vacancies and any HR related issues.	Unitary Council level Unitary Work Streams have completed individual Resource Plans that detail resource requirements to deliver individual work streams, to the Chief Executive Implementation Group - May 2019. On a quarterly basis a monitoring report is produced that high lights: <ul style="list-style-type: none"> • staff turnover, • hard to fill vacancies, • back filling decisions and associated issues. 	Amended on behalf of the Head of HR, ICT and Facilities Management to reflect decisions taken by the Resource Board, Chief Executive Implementation Group and the sovereign authorities.	ICT and Facilities Management Head of HR
			Up to date policies accessible to officers			The 5 Councils have introduced the Vacancy Management Protocol.		
			Service based performance management information			Following submission of individual Work Stream resource plans to the Chief Executive Implementation Group - May 2019, retention payments, where applicable, are to be the responsibility of each sovereign Council and will be managed in line with existing HR processes, .		

Strategic Risk Register - Monitoring Report - September 2019

Risk	Current Risk	Consequences	Internal Controls	Assurance Level	Evidence of Assurance	Actions	Latest Note	Assigned To
						<ul style="list-style-type: none"> Decisions as regards the back filling of posts, are the responsibility of the sovereign Councils. 		
SR02 External and internal regulatory framework (Brexit)	 <p>Impact</p> <p>Likelihood</p>	12	<ul style="list-style-type: none"> Wrong or illegal decisions taken (Ultra Vires) Complaints (justifiable) Reputational damage breach of legislation 	<ul style="list-style-type: none"> Published contract register used for contract renewal Legal Service support 	Level 2 - Internal Governance (Risk / Performance Management)	Complaint monitoring and reporting to SMB quarterly	<p>Brexit</p> <ul style="list-style-type: none"> Council is a member of the Thames Valley Local Resilience, as a defined Category 1 Responder under the Civil Contingency Act 2004 (CCA). TVLRF memberships consists of Category 1 Responders: Principal Local Authorities Emergency Services, Health Bodies, Public Health England and the Environment Agency. Category 2 Responders: Local Utility Companies, Transport operators, Voluntary Sector, Food Standards Agency and Health and Safety Executive. CAT 1 Responders are required to assess risk and undertake joint exercises with CAT 2 Responders. TVLRF are currently holding weekly teleconferences with 	Head of Environment

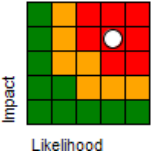
Strategic Risk Register - Monitoring Report - September 2019

Risk	Current Risk	Consequences	Internal Controls	Assurance Level	Evidence of Assurance	Actions	Latest Note	Assigned To
Page 39							<p>MHCLG. This will be the reporting mechanism into MCHLG on a national template which is to be released shortly.</p> <ul style="list-style-type: none"> • Interim Chief Executive is the Councils Lead Brexit Officer with MHCLG. • A legal duty under the CCA requires that Responders carry out risk assessments and maintain them in a Community Risk Register. TVLRF have a number of strategic plans for the identified risks (including Brexit). Tactical plans are then developed at a County level to co-ordinate response with Operational Plans to deliver specific responses developed and implemented at district level (none currently exists for Brexit). These are managed by the Emergency Planning Officer in the Environmental Health Service. 	

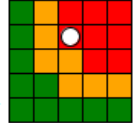
Strategic Risk Register - Monitoring Report - September 2019

Risk	Current Risk	Consequences	Internal Controls	Assurance Level	Evidence of Assurance	Actions	Latest Note	Assigned To
SR03 Reduction in Government funding		16	<ul style="list-style-type: none"> Reduction in budgets Loss / reduction of discretionary services Reduction in service level for statutory services Reputational damage Inability to realise corporate plan/priorities / transformation programme. 	Monthly budgetary control reports	Level 3 - Independent Assurance (Internal Audits, HSE)	External Audit through statutory assessment of value for money (VFM). Quarterly budget reports to Cabinet. Monthly budget reports to Strategic Management Board Budget report presented to Full Council Audit Committee report on Statement of Accounts and Value for Money Opinion.	The Head of Finance and Commercial has provided the following update: The risk profile is still valid and reflects the on-going challenges of ensuring a balanced budget is delivered for 2019/20.	Head of Finance and Commercial
				Service based performance management information				
SR05 Partnership working		8	<ul style="list-style-type: none"> Missed opportunities for funding streams (LEP) Restricted range of services offered 	Regular contract meetings/dialogue	Level 1 - Operational Management (Policies & Procedures)	Strategic Management Board receive periodic updates on	No update on the commentary provided by the Head of DLP, 10th May 2019, that the range of partnerships that the Council participates in is being reviewed as part of the Legal	Head of DLP
			Periodic formal					

Strategic Risk Register - Monitoring Report - September 2019

Risk	Current Risk	Consequences	Internal Controls	Assurance Level	Evidence of Assurance	Actions	Latest Note	Assigned To
Page 4		<ul style="list-style-type: none"> • Failure to realise economies of scale • Duplication of work • Impact on public perception of the wider public sector 	quality reviews undertaken by Management Partnership oversight		partnership relations		and Governance work stream, which is part of the Resource work stream. An extract for the Legal and Governance work stream work programme - August 2019 recorded that the following was in progress: Develop a draft significant strategic partnership register identifying key member leads / senior officer leads.	
	SR06 Investment in infrastructure	 <p>Impact</p> <p>Likelihood</p>	16	<ul style="list-style-type: none"> • Lack of investment in infrastructure could lead to issues as regards both the short and long term sustainability of the local community and economy. • Deterioration of the Councils image and reputation as a place to live, work, visit and invest in. • Restriction in economic growth 	Periodic formal quality reviews undertaken by Management Established Programme Boards Assessed budget volatility	Level 1 - Operational Management (Policies & Procedures)		Corporate Director has confirmed the content of this risk entry for the purpose of monitoring. Work is ongoing to continue the delivery of the following: <ul style="list-style-type: none"> • HIF funded schemes: Abbey Barn Lane, Princes Risborough Expansion Area • Future High Street Fund • Regeneration Strategy

Strategic Risk Register - Monitoring Report - September 2019

Risk	Current Risk	Consequences	Internal Controls	Assurance Level	Evidence of Assurance	Actions	Latest Note	Assigned To
		could impact on service provision & funding through reduced business rate growth. <ul style="list-style-type: none"> • Programmes /Project are funded by external borrowing rather than internal funds. 						
007 Data and Information security	 Impact Likelihood	12	Internal Information Governance <ul style="list-style-type: none"> • Information Commissioners Office (ICO)infringements /fines • Criminal proceedings against the Council and individuals. • Reputational damage • Complaints leading to ICO findings against the Council. 	Internal Information Governance (Suite of Internal Controls)	Level 2 - Internal Governance (Risk / Performance Management)		As part of the Legal and Governance work stream, a review of: paper records, closed and archived records is to be undertaken and consideration is to be given as to a methodology for the management of digital/electronic records. As part of the Legal and Governance work stream, a review key policies has been requested: Records Management - October, GDPR – November, all of which are part of a wider	Head of DLP; ICT and Facilities Management Head of HR

Strategic Risk Register - Monitoring Report - September 2019

Risk	Current Risk	Consequences	Internal Controls	Assurance Level	Evidence of Assurance	Actions	Latest Note	Assigned To
Page 43		<ul style="list-style-type: none"> • Complaints leading to Ombudsman findings against the Council. • Loss of sensitive data • Unlawful release of personal data <p>External IT Governance Loss of IT services</p>	External Information Governance (Suite of Internal Controls)				<p>review to be implemented by March 2020 in advance of the new Unitary Council.</p> <p>Wycombe is currently developing a Cyber Risk register.</p>	

Agenda Item 11

Report For:	Audit Committee
Meeting Date:	Audit 10 October 2019
Part:	Part 1 - Open
If Part 2, reason:	Choose a reason



WYCOMBE
DISTRICT COUNCIL

SUMMARY

Title of Report:	Business Assurance Managers Annual Report 2018/19
Officer Contact: Direct Dial: Email:	Michael Howard 01494 421357 Mike.howard@wycombe.gov.uk
Ward(s) affected:	All
Reason for the Decision:	The Business Assurance Manager is required to provide a written annual report to those charged with governance, timed to support the Annual Governance Statement. This yearly report is used as part of the annual process.
Proposed Decision/Recommendation:	That: The Business Assurance Managers' Annual report is NOTED.
Sustainable Community Strategy/Council Priorities - Implications	Risk: N/A Equalities: N/A Health & Safety: N/A
Monitoring Officer/ S.151 Officer Comments	Monitoring Officer: The Business Assurance Manager's report contributes to the Council's suite of arrangements for good governance and management of risk.

	<p>S.151 Officer: No direct financial implications. The positive assurance opinion set out in the report provides a clear view that material risks are well managed and there is a sound system of internal control.</p>
Consultees:	N/A
Options:	None
Next Steps:	N/A
Background Papers:	N/A
Abbreviations:	

BUSINESS ASSURANCE MANAGER'S ANNUAL REPORT

The purpose of my opinion is to contribute to the assurances provided to Senior Management as regards its own assessment of the effectiveness of the Council's system of internal control. The opinion will also assist Senior Management in the completion of the Annual Governance Statement (AGS).

My opinion is set out as follows:

1. Overall opinion
2. Basis for the opinion

Overall opinion

My overall opinion is that assurance can be given in relation to the core financial reviews that were undertaken in 2018/19 and that there is a sound system of internal control designed to meet the Council's objectives and that controls are generally being applied consistently.

As well as undertaking a number of core financial audits which are necessary in order to provide the Business Assurance Manager's opinion, we also undertake a number of audits in other operational areas of the Council. These audits aim to add value through the delivery of the Internal Audit plan and enable Internal Audit to build a picture of the overall state of governance within the Council.

As part of my 2017/18 Annual report I reported that significant progress had been made in that a formalised programme board structure, based on the Council's new Corporate Plan has been introduced for 2018/19. The new structure regularised the governance arrangements around programme management and during 2018/19 the structure was reviewed and two Programme Boards were established which replaced the previous 5 Programme Boards, to which individual projects are reported. The aim is to improve how projects are delivered e.g. demonstrating the processes associated with corporate objective alignment, project appraisal, project progress, financial management and improved risk management.

Full details on the two factors that are used in forming the opinion as to the level of assurance are detailed in this report in Appendix A, with a summary below:

- Assurance as regards the Evaluation assessment of the internal control environment.
- Assurance as regards the Testing Evaluation:

The overall opinion has been derived based on the balance of audits that received either a Full or a Substantial rating on both aspects of the opinion. Of the 20 completed reviews one review had a Limited Assurance in relation to both aspects of the opinion and a further review had a Limited Assurance in relation to the testing aspect.

There were two reviews undertaken in the early part of 2018/19 which were not assessed under the dual opinion, one received an opinion that the application of controls was required, which is below the normal Substantial Assurance opinion, the other review received an opinion equal to a Substantial Assurance opinion.

These audits are agreed at the outset of each financial year with the Strategic Management Board and the Audit Committee.

Basis for the opinion

Internal Audit Coverage

An assessment based on the range of individual opinions arising from risk based audit assignments, as detailed in the internal audit programme, has been used. The assessment has taken account of the relative materiality of those areas and the purpose of this report is to provide an update of the audit reports that have been issued during 2018/19.

The original audit programme agreed by the Audit Committee at their meeting in May 2018, set out a programme of work consisting of 21 reviews. This has been subject to revision due to changes within the individual service areas which not predicted at the time original programme was prepared, notably:

An additional review in relation to Capital Programme Expenditure was undertaken in 2018/19.

The IT Infrastructure Assurance Review was not undertaken due to external review being commissioned by the Councils IT Service.

The Land Charges review was not undertaken due to the Teams commitment to the Elections function.

I am pleased to report that the audit programme was achieved and 20 audit reviews were completed.

The table below provides a summary of the audit reviews completed in 2018/19. It also shows the total number of recommendations made compared to the number of recommendations that have been agreed by Management in order to improve the internal control framework within individual Service functions.

AUDIT REVIEW TITLE	OPINION	Number of recommendations made.	Agreed recommendations
CORE FINANCIAL REVIEWS			
Corporate Debt Management and Income	Evaluation assessment - Substantial assurance Testing assessment - Substantial assurance	4	4
Creditors	Evaluation assessment - Substantial assurance Testing assessment - Substantial assurance	2	2
Payroll	Evaluation assessment - Substantial assurance Testing assessment - Substantial assurance	3	3
Main Accounting and Budgetary Control	Evaluation assessment - Substantial assurance Testing assessment - Substantial assurance	3	2
Council Tax and Business Rates	Evaluation assessment - Substantial assurance Testing assessment - Substantial assurance	3	3
Council Tax Reduction and Housing Benefit	Evaluation assessment - Substantial assurance Testing assessment - Substantial assurance	2	2
Treasury Management	Evaluation assessment - Substantial assurance Testing assessment - Substantial assurance	2	2
NON CORE FINANCIALS			
Capital Programme Expenditure Review	Key controls exist but inconsistencies in application. NB – review was undertaken before the two tier opinion was in introduced.	4	4
Air Pollution	Improvements in the application of controls are required NB – review was undertaken before the two tier opinion was in introduced.	9	9

AUDIT REVIEW TITLE	OPINION	Number of recommendations made.	Agreed recommendations
Community Grants	Evaluation assessment - Substantial assurance Testing assessment - Substantial assurance	5	5
Cemetery	Evaluation assessment - Substantial assurance Testing assessment - Substantial assurance	6	6
Ground Maintenance Contract	Evaluation assessment - Substantial assurance Testing assessment - Substantial assurance	5	5
Commercial Leases	Evaluation assessment - Substantial assurance Testing assessment - Substantial assurance	2	2
Disabled Facility Grants and the Healthy Homes Pilot	Evaluation assessment - Substantial assurance Testing assessment - Substantial assurance	5	5
Bed and Breakfast	Evaluation assessment - Limited Assurance Testing assessment - Limited Assurance	4	3
Insurance	Evaluation assessment - Substantial assurance Testing assessment - Substantial assurance	5	4
Fixed Assets and Inventories	Evaluation assessment - Substantial assurance Testing assessment - Substantial assurance	1	1
Parking	Evaluation assessment - Substantial assurance Testing assessment - Substantial assurance	4	2
Member and Officer Codes of Conduct.	Evaluation assessment - Substantial assurance Testing assessment - Limited assurance	7	7 (all recommendations were agreed in principle however will included in the work programme for the new Unitary Council

AUDIT REVIEW TITLE	OPINION	Number of recommendations made.	Agreed recommendations
Section 106 and Community Infrastructure Levy	Evaluation assessment - Substantial assurance Testing assessment - Substantial assurance	4	4
TOTAL		80	75

Operational Risk Registers (ORRs) and the Strategic Risk Register (SRR)

Key to demonstrating that the Council has in place an assurance framework, the following needs to be considered:

- the context of risk within the Council,
- identifies, analyses, evaluates and assesses risk through the adoption of operational risk registers and a strategic risk register.

At an operational level, work has been undertaken throughout the year to develop operational risk registers that are based on service plan objectives.

A Strategic Risk Register has been in place during 2018/19 with quarterly reporting to the Strategic Management Board and regular reports to the Audit Committee.

Strategic Management Board are reminded that identifying, managing and mitigating risk is a continual task and should be bedded into normal activity and not just constrained to quarterly reporting.

During 2018/19, the Council has been using risk software to record and track both operational and strategic risks.

Corporate Investigations

We are required under CIPFA's current governance framework *Delivering Good Governance in Local Government Framework 2016* "to demonstrate how effective the Councils counter fraud and anti-corruption arrangements are".

Since March 2015, the Council has developed plans, from its Tackling Fraud and Corruption report and is seeking to refresh the Councils counter fraud and corruption arrangements in line with best practice as recommended by CIPFA's Managing the Risk of Fraud and Corruption.

The Corporate Investigations Team consists of one part time qualified investigator (.65 FTE) whose role is to investigate allegations of corporate fraud which covers the investigation in to allegations of fraud in relation to Council Tax Reduction, Single Person Discount, National Non Domestic Rates (NDR) and Housing & Homeless applications.

- table below indicates the number of referrals, by type that have been received by the Team, during 2018/9

Nature of referral	Number of referrals	Number of cases after risk assessment	% of referrals taken on for further investigation
Council Tax Reduction	73	45	62%
Single Person Discount	34	27	79%
False application to / allocation of social housing.	9	6	67%
False identity : Licensing, Environmental Health	7	5	71%
NNDR	6	3	50%
Internal fraud cases	1	1	100%
TOTAL	130	87	67%

Fraud referrals are received from internal and external sources such as other departments, the Department of Works and Pensions, members of the public via the online fraud referral process and Thames Valley Police.

A risk assessment process is in place which determines the quality of the referrals received, considers the reliability of the referral source and measures the likelihood of a successful outcome. Cases will only be investigated if they pass the risk assessment and are in the public interest.

We also consider the outputs from the National Fraud Initiative as this provides a credible and reliable source of referrals.

Sanctions and Prosecutions

There are three types of sanctions that can be administered:

Caution - this is a formal, final warning that is issued by Corporate Investigations stays on a person's record with WDC for a period of 5 years and is used for less serious cases. A caution can only be sanctioned if the offence is admitted during an interview under caution. In these cases, the recovery of any overpayment is sought as well. A caution can be cited in court should the claimant be found guilty of a further benefit offence

Penalty - this is a "fine" and the value of the fine is calculated by taking up to 50% of the total CTR overpayment. The fine can be no greater than £1000 with a minimum of £100 and can be used where it's not in the public interest to proceed with a prosecution. A fine can be sanctioned without a full admission of guilt being made. The penalty is in addition to the reclaiming of the original overpayment and is collected through a sundry debtor invoice.

During 2018/19, the Team applied a penalty in eight cases amounting to £4401.

Prosecutions: for the more serious cases, the Council's Legal Department will pursue criminal court proceedings against the person involved.

The aim is to focus the work of the Corporate Investigations Team to increase the number of sanctions in order to act as a deterrent to those persons defrauding or seeking to defraud the Council.

This is reflected in the work of the Team and all referrals are risk assessed to identify those cases that will potentially be more effective to investigate and lead to a deterrent.

All cases put forward for deterrent actions are monitored and, as necessary, further advice is sought from the Council's Legal Department

A higher level of evidence is required on those cases where either a Caution or Penalty is offered. If a person does not accept a Caution or a Penalty, the normal course of action would be for the case to be considered for legal proceedings.

Where possible, the local media has been made aware of successful prosecutions but coverage is dependent on other items of news at the time. Reports of these cases are intended to have a deterrent effect. In addition, successful prosecutions are reported on the Council's website and intranet site.

During 2018/19, the Team undertook 2 prosecutions using the Fraud Act 2006, in relation to Council Tax Reduction. These cases resulted in costs of £2,494 & £2,159 and two Community Orders, the first of a 10 week curfew and the second of 120 hours of unpaid work and a 20 day Rehabilitative Activity Requirement.

The Team currently has a further 2 cases awaiting prosecution.

The Team identified overpayments totalling £44,464 of which £23,146 related to 20 cases of Single Person Discount fraud and 11 cases in relation to Council Tax Reduction amounting to £21,318.

NB Council Tax Reduction was introduced in 2013, therefore fraudulent cases relating to that period onward will increase in value.

Audit Opinions





The following audit opinions are used when making an assessment of the effectiveness and adequacy of the systems of internal control.

PRIORITY 1 – Fundamental: action that we consider essential to ensure that the Authority is not exposed to high risk.

PRIORITY 2 – Significant: action that we consider necessary to avoid exposure to significant risks

Based on the number of priority recommendations we provide an opinion as to the overall control environment. This is reflected in an audit opinion and this is based on four levels:

APPENDIX 1: AUDIT OPINION AND DEFINITIONS

Level	Symbol	Evaluation Assessment	Testing Assessment
Full		There is a sound system of internal control designed to achieve the system objectives.	The controls are being consistently applied.
Substantial		Whilst there is a basically sound system of internal control design, there are weaknesses in design which may place some of the system objectives at risk.	There is evidence that the level of non-compliance with some of the controls may put some of the system objectives at risk.
Limited		Weaknesses in the system of internal control design are such as to put the system objectives at risk.	The level of non-compliance puts the system objectives at risk.
Nil		Control is generally weak leaving the system open to significant error or abuse.	Significant non-compliance with basic controls leaves the system open to error or abuse.

Agenda Item 12

DRAFT AUDIT COMMITTEE WORK PROGRAMME

Title & Subject Matter	Contact Officer	Training
December 2019		
Business Assurance Managers Half Yearly Report	Mike Howard	
Strategic Risk Register	Mike Howard	
Audited Higginson Park Trust Annual Report	Hasina Shah	
Performance Report Q2	Harriet Baldwin	