

NOTICE OF MEETING

**Governance & Audit Committee
Tuesday 27 March 2012, 7.30 pm
Council Chamber, Fourth Floor, Easthampstead House, Bracknell**

To: Governance & Audit Committee

Councillor Ward (Chairman), Councillor Wade (Vice-Chairman), Councillors Allen, Ms Brown, Heydon, McCracken, Thompson and Worrall

Independent Member

Gordon Anderson

cc: Substitute Members of the Committee

Councillors Mrs Ballin, Blatchford, Mrs Hayes, Leake, Mrs McCracken and Mrs Temperton

ALISON SANDERS
Director of Corporate Services

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**Governance & Audit Committee
Tuesday 27 March 2012, 7.30 pm
Council Chamber, Fourth Floor, Easthampstead House,
Bracknell**

AGENDA

Page No

1. **Apologies for Absence**
To receive apologies for absence and to note the attendance of any substitute members.
2. **Declarations of Interest**
To receive any declarations of personal or prejudicial interests, and the nature of that interest, in respect of any matter to be considered at this meeting.
3. **Minutes - 24 January 2012**
To approve as a correct record the minutes of the meetings of the Committee held on 24 January 2012. 1 - 4
4. **Urgent Items of Business**
Any other items which, pursuant to Section 100B(4)(b) of the Local Government Act 1972, the Chairman decides are urgent.
5. **External Audit Matters**
To receive the District Auditor's annual report on the certification of claims and returns for 2010/11 and to note developments with regard to the appointment of external auditors. 5 - 32
6. **Internal Audit Plan**
To approve the Internal Audit Plan for 2012/13. 33 - 58
7. **Contract Standing Orders - Category Management**
To recommend to Council the approval of changes to the Council's Contract Standing Orders to give effect to Category Management. 59 - 74
8. **Annual Governance Preparation Statement**
To nominate a Member to attend the meeting of the Governance Working Group which formulates the Annual Governance Statement (AGS) and the AGS Action Plan. 75 - 76

9. **Scheme of delegation amendment** 77 - 84
To recommend to Council the two sets of amendments to the Scheme of Delegation to Officers contained in the Council's Constitution required in response to recent legislation.
10. **Proposed abolition of Petition Scheme** 85 - 98
To recommend to Council the proposed abolition of the Petition Scheme due to the Localism Act repealing complex provisions under which the scheme was put in place.
11. **Future Standards Committee Arrangements** 99 - 100
To consider whether, under the new framework for dealing with Member's conduct, the Standards Committee should make recommendations to the Committee or to full Council.

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GOVERNANCE & AUDIT COMMITTEE
24 JANUARY 2012
7.30 - 8.35 PM



Bracknell Forest Borough Council:

Councillors Ward (Chairman), Wade (Vice-Chairman), Allen, Ms Brown, McCracken, Thompson, Worrall and Mrs McCracken (Substitute)

Independent Members:

Gordon Anderson

Apologies for absence were received from:

Councillor Heydon

65. Apologies for Absence

The Committee noted the attendance of the following substitute Member:

Councillor Mrs McCracken for Councillor Heydon.

66. Declarations of Interest

There were no declarations of interest.

67. Minutes - 8 November 2011

RESOLVED that the minutes of the meeting held on 8 November 2011 be approved as a correct record and signed by the Chairman.

68. Audit Plan

Helen Thompson, District Auditor attended the meeting to present the Audit Commission's External Audit Plan for 2011/12. The plan set out the work for the 2011/12 audit and was based upon the Audit Commission's risk-based approach to audit planning. Valuation of property, plant and equipment (PPE) was identified as a significant risk and as such required more work and consideration of the procedures and controls in place.

The following risks were identified as Specific Risks:

- Upgrade of the general ledger system
- PFI assets
- Related party transactions

Specific reviews of the arrangements in relation to these areas would be required as part of the audit.

The District Auditor is required to reach a conclusion on the Council's arrangements to secure economy, efficiency and effectiveness e.g. value for money. Two risks to the Council's ability to demonstrate this are the challenges of delivering the medium term financial plans of the Council and the proposed town centre redevelopment. However it was noted that the latter was more likely to impact upon the Council in

2012/13. The Committee discussed the various techniques the Council employed to demonstrate value for money e.g. service plans, Quarterly Service Reports and an increased participation in benchmarking groups.

It was acknowledged that the current fees were proposed at £230,940. It was noted that the fees were on a downward trend as the Audit Commission was reduced in size before being abolished. The Audit Practice was going through the tendering for a three to five year contract. Future fees would be set in accordance with the consultation document which had been circulated at the end of 2011 and operators would work within a framework set by the National Audit Office.

It was discussed that value for money for the Council from its external auditors would be measured by whether work was delivered on time, was of a good quality and that officers developed good working relationships.

RESOLVED that the External Audit Plan for 2011/12 be noted.

69. Update on Progress - Certification of Claims and Returns

The Chief Officer: Housing presented the report which provided Members with an update on the progress the Housing and Council Tax Benefit Service has made since last reporting to Governance and Audit Committee in September 2011. It was noted that the Committee would consider a report from the Audit Commission on the certification of claims and returns at its March meeting.

The Committee were advised that:

- The accuracy rate for quality continued to be 93% but although this was on an upward trajectory in the current financial year it was not expected to be possible to achieve 95%
- The Benefit Service management structure has been restructured and provided more management resource to check claims and management of assessment staff
- Processing was now undertaken on an alphabetic split based on claimant names so that processing staff are more familiar with benefit customers and their requirements as well as ensuring a claim is assessed by the same member of staff from start to finish. This was to ensure ownership and accountability for processing work.
- All non-HRA rent rebate expenditure had been reviewed, classification for 2010/11 was consistent and a process was in place to ensure that this continued
- Examples of errors from a spot check on calculating earnings showed that the overpayment of benefit contributing to the error rating could be as small as £0.06
- It was noted that software errors had occurred and a software fix was due to be implemented in February 2012
- Quality checking was being undertaken on the higher risk cases
- Completion of satisfactory verification checklists were in place in 99.12% of checked claims.

It was clarified that the Government subsidy system which finances housing and council tax benefit expenditure allows for a level of error in processing in financial terms. A threshold is set at 0.48% of the total benefit paid. The Council does not lose any subsidy if the total value of local authority error does not exceed that threshold.

Separately the Council has to reconcile expenditure to the penny to demonstrate that its financial procedures are reliable and robust.

RESOLVED that the current performance of the Housing and Council Tax Benefit Service be noted.

70. **Treasury Management**

The Chief Technical Accountant presented the Treasury Management Report for review before being presented to Council as part of the overall budget package and resolution on Council Tax for 2012/13.

The report was made up of four documents which together were the Treasury Management Strategy and Policies for 2012/13:

- **Capital Prudential Indicators**
It was explained that the Capital Prudential Indicators sets out the provisional Capital programme for 2012/13 and identified that the Council would remain debt free through 2012/13.
- **Minimum Revenue Provision (MRP) Policy**
The Committee noted that although the Council remained debt free the Council must make a financing charge for the capital expenditure incurred either over the asset life or over the period of borrowing incurred e.g. for buildings over 60 years and cars over 5 years.
- **Treasury Management Strategy**
It was clarified that this policy set out projections on future debt and investment levels; borrowing limits; economic outlook and expected movement in interest rates and identified the borrowing strategy for any short-term borrowing. The Committee discussed the potential impact of the considerable economic uncertainty and that no movement in interest rates was expected until at least September 2013.
- **Investment Strategy**
It was explained that the primary objective of the strategy was to safeguard the repayment of principal and interest on-time and ensuring adequate liquidity. Once those criteria had been satisfied yield was then considered. The Counterparty Selection criteria had remained unchanged from last year and only included High Quality counterparties. Another strategy to manage any risk to the authority was to limit investment by size and duration and the proposal was that these should remain at £7m and 364 days. The Council had £52 million invested currently between UK banks and money market funds. It was confirmed that investing in foreign currency was too risky however repayment of Icelandic bank funds would be by a mixture of currency. The Committee were assured that the Council was working with other local authorities to have this converted to sterling as quickly as possible with minimal charges.

71. **Anti-Fraud and Corruption Policy**

The Borough Treasurer presented the report to update and approve the Anti-Fraud and Corruption Policy to ensure that it was up to date and consistent with the latest Financial Regulations and ensure that they continue to be fit for purpose. The revised policy had an increasing emphasis upon the Council's zero tolerance towards

fraudulent activity. Awareness had also been raised amongst staff as related policies were refreshed such as the Whistle Blowing policy.

It was discussed that whilst the current economic climate was possibility leading to an increased risk of fraud and corruption local authorities were also getting better at identifying and dealing with such activities.

RESOLVED that the Anti-Fraud and Corruption Policy at Appendix A to the report be approved.

CHAIRMAN

**TO: GOVERNANCE AND AUDIT COMMITTEE
27 MARCH 2012**

EXTERNAL AUDIT MATTERS Borough Treasurer

1 PURPOSE OF REPORT

- 1.1 To receive the District Auditor's annual report on the certification of claims and returns for 2010/11.
- 1.2 To note developments with regard to the appointment of external auditors.

2 RECOMMENDATION(S)

That the Governance and Audit Committee:

- 2.1 **Receive the District Auditor's annual report on the certification of claims and returns for 2010/11, and**
- 2.2 **Note developments with regard to the appointment of external auditors.**

3 REASONS FOR RECOMMENDATION(S)

- 3.1 To advise the Governance and Audit Committee of the District Auditor's conclusions and recommendations following the completion of the annual audit of claims and returns for 2010/11.
- 3.2 To advise the Governance and Audit Committee of recent developments regarding the appointment of external auditors.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 None

5 SUPPORTING INFORMATION

Certification of claims and returns – annual report

- 5.1 The Council claims significant sums of money from the Government and the District Auditor is required to undertake certification work to provide assurance that the Council's claims for grant are made properly and that the information contained in financial returns is reliable. In Bracknell Forest this work is focussed in five areas:
 - Housing and council tax benefit
 - National non-domestic rates
 - Teachers' pensions

Unrestricted

- Sure start, early years and childcare grant and aiming high for disabled children grant, and
- Disabled facilities

5.2 The District Auditor's annual report on the certification of claims and returns is attached at Annex A and the District Auditor, Helen Thompson, will attend the meeting to present the report and answer questions.

Appointment of External Auditors

5.3 On 6 March 2012 the Audit Commission announced the results of the procurement exercise it had undertaken to outsource the work of its in house audit practice, District Audit.

5.4 Ernst and Young have been awarded a five year contract to audit public bodies in the South East and will, therefore, be the Council's external auditor from 1 September 2012. A series of introductory meetings have been arranged during May, providing the opportunity to meet the new auditor and its senior partners and to hear how the firm plans to manage its new portfolio of work and its approach to the audits.

5.5 In practice this means that District Audit will complete the 2011/12 external audit work, handing over to Ernst and Young, following a short transition period. Helen Thompson will also provide the Committee with a further update at the meeting.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

6.1 Nothing to add to the report.

Borough Treasurer

6.2 The costs associated with the certification of claims and returns (£83,402) can be met from the budget for external audit fees. The value of any amendments made to grant claims and returns is set out in Table 2 in Annex A.

6.3 The award of the external audit contract to Ernst and Young is expected to result in a reduction in external audit fees, although this cannot be quantified at this early stage.

Equalities Impact Assessment

6.3 Not applicable

Strategic Risk Management Issues

6.4 The change of external auditor represents a potential risk as the Council will need to adapt to the requirements of Ernst and Young. This is exacerbated by the change of internal audit provider from 1 April 2012, as external auditors place reliance on the work of internal audit. The risk will be mitigated by early and effective communication between all parties.

Other Officers

6.5 Not applicable

7 CONSULTATION

Principal Groups Consulted

7.1 Not applicable

Method of Consultation

7.2 Not applicable

Representations Received

7.3 Not applicable

Background Papers

Audit Commission press releases

Contact for further information

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Certification of claims and returns - annual report

Bracknell Forest Council

Audit 2010/11



Contents

| | |
|--|----|
| Introduction..... | 3 |
| Summary of my 2010/11 certification work..... | 4 |
| Results of 2010/11 certification work..... | 5 |
| Housing and council tax benefits subsidy claim..... | 6 |
| National non-domestic rates return..... | 9 |
| Teachers' superannuation return..... | 10 |
| Sure Start grant claim..... | 11 |
| Disabled facilities grant..... | 12 |
| Summary of progress on previous recommendations..... | 13 |
| Summary of recommendations..... | 20 |
| Summary of certification fees..... | 22 |

Introduction

Local authorities claim large sums of public money in grants and subsidies from governmental departments and other grant-paying bodies and must complete returns providing financial information to governments and grant-paying bodies. My certification work provides assurance to government departments and grant-paying bodies that claims for grants and subsidies are made properly or that information in financial returns is reliable. This report summarises the outcomes of my certification work on your 2010/11 claims and returns.

Under section 28 of the Audit Commission Act 1998 the Audit Commission may, at the request of authorities, make arrangements for certifying claims and returns because scheme terms and conditions include a certification requirement. Where the Audit Commission arranges certification it issues instructions setting out the work auditors must complete before giving their certificate. The work completed varies according to the value of the claim or return and the requirements of the government department or grant-paying body. Broadly for claims and returns:

- below £125,000 - I carry out no work;
- from £125,000 and £500,000 – I undertake limited tests to agree form entries to underlying records, but do not test the expenditure or data is eligible; and
- over £500,000 - I plan and perform my work following the certification instruction. I assess your control environment for preparing the claim or return and decide how much I can rely on your controls. Based on my assessment, I tailor my approach to agree form entries to underlying records and test the expenditure or data is eligible.

Where I agree it is necessary you can amend your claim or return. My certificate may also refer to a qualification letter where there is disagreement or uncertainty, or you do not comply with scheme terms and conditions.

Summary of my 2010/11 certification work

You have performed well in preparing claims and returns. There have been improvements in the preparation of the Housing Benefit and Council Tax subsidy claim and fewer errors have been identified compared to 2009/10. However, further work is still required in this area.

As a result of my team's work you amended three of the five claims and returns for the year ended 31 March 2011 that you presented for certification, I issued two qualification letters with the certificates on your claims and returns.

12

Table 1: **Summary of 2010/11 certification work**

| Number of claims and returns certified | |
|---|-------------|
| Total value certified | |
| ■ claims | £40,351,868 |
| ■ returns | £55,335,110 |
| Number of claims and returns certified | 5 |
| Number of amended due to errors | 3 |
| Number where I issued a qualification letter | 2 |
| Total cost of certification work | £83,402 |

Results of 2010/11 certification work

This section summarises the results of my 2010/11 certification work and highlights the significant issues.

Details of work on each claim or return is set out below.

Table 2: Claims and returns above £500,000

| Claim or return | Value of claim or return presented for certification | Was reliance placed on the control environment? | Value of any amendments made | Was a qualification letter issued? |
|--|--|--|------------------------------|------------------------------------|
| Housing and council tax benefit scheme | £35,934,000 | No - this claim falls outside the arrangements set out in the introduction above because of its size and complexity. | £12,556 | Yes – more detail is set out below |
| National non-domestic rates return | £48,697,000 | No - due to change of NDR system in year. | 0 | No |
| Teachers' pensions return | £6,638,000 | Yes | £19 | No – more detail is set out below |

| Claim or return | Value of claim or return presented for certification | Was reliance placed on the control environment? | Value of any amendments made | Was a qualification letter issued? |
|---|--|---|------------------------------|------------------------------------|
| Sure start, early years and childcare grant and aiming high for disabled children grant | £4,119,000 | Yes | (£31,406) | Yes – more detail is set out below |

Further details of my work on each of the claims and returns are set out below.

Housing and council tax benefits subsidy claim

This is the largest claim by fee charged.

| Scope of work | Results |
|--|--|
| Value of claim presented for certification | £35,934,000 |
| Limited or full review | Full |
| Control environment relied on | No - this claim falls outside the arrangements set out in the introduction because of its size and complexity. |
| Amended | Yes – increased by £12,556 |
| Qualification letter | Yes |
| Fee – 2010/11 | £70,677 |
| Fee – 2009/10 | £67,345 |

Councils run the government's housing and council tax benefits scheme for tenants and council taxpayers. Councils responsible for the scheme claim subsidies from the Department for Work and Pensions (DWP) towards the cost of benefits.

I reported in January 2011 that the testing on the 2009/10 Housing Benefit and Council Tax claim found a high level of errors. In response an action plan was agreed with the Council. Table 4 sets out progress against this alongside the results of my 2010/11 work.

I have also made recommendations arising from the 2010/11 work in table 5.

I certify the claim using detailed instructions agreed between the DWP and the Audit Commission. Among other tests, I have to test an initial 'discovery' sample of the main types of subsidy. If errors are found in that initial sample, I have to evaluate them and assess whether I need to carry out further testing.

The 2010/11 claim was complicated as the Council changed its revenues and benefits system in October 2010. I found a variety of errors in my initial discovery sample. Due to these and the high level of errors identified in the 2009/10 claim, I therefore had to carry out significant extra testing. This additional testing was designed to give the DWP the information it requires to determine if further action is needed.

The overall results of both the initial and additional testing led to the claim being amended. As a result, subsidy payable to the Council increased by £12,556. Although the number of errors found was less than in previous years, I still found it necessary to qualify the claim. This means there were parts of the claim which I could not conclude were fairly stated. I issued a qualification letter to the claim setting out my findings for the DWP. The main types of errors are set out below.

Earnings miscalculation

10 I found three errors in how claimants' earnings had been calculated. This led to both overpayments and underpayments of benefit to claimants. The Council receives less subsidy for errors it has made if it exceeds the threshold set for the Council by the DWP for LA error. The type of errors found included pension contributions being entered incorrectly, tax deducted twice, a tax refund treated as income, and payslips not used to update assessments.

As a result of this, and due to the level of errors we found in 2009/10, I had to carry out additional testing. Unlike 2010, I found no further errors from our additional testing.

We reported for the 2009/10 claim that the Benefits team have a checklist which sets out how judgements have been reached but I found that it was not used consistently or correctly. This would provide a trail for staff who assess cases at later dates. It would also help managers both in their sample check of cases and in assessing training needs. Finally, it may help reduce audit input when certifying the claim. We found in 2010/11 there was still scope for improvement particularly for cases reported in Pericles (the legacy system). We checked a random sample of six cases and found it difficult to establish the audit trail for which payslips had been used to calculate earnings. Officers inform us that there is a facility in Northgate to allow officers to document judgements instead of the previous checklist. We recommend that the Benefits team use this or determine another solution to ensure there is a clear trail consistently and comprehensively used by officers to record their decisions.

Misclassification of expenditure

The claim is made up of several entries or 'cells' for different types of benefit granted. The certification instructions require me to test whether cases have been correctly coded to the cells within the claim. I found examples in the original discovery sample where cases had been incorrectly analysed between cells. I therefore had to carry out further detailed testing to establish the extent of errors. There were three main areas of error.

- Council Tax overpayments – I found three errors in the initial sample and six further errors from additional testing. Similar issues occurred in 2009/10. There was a change in regulations for 2010/11 in respect of the classification of overpayments when a claimant has died. Officers inform us that was not possible to update the Pericles software for this. No manual adjustments were made to the subsidy claim to correct this so our testing revealed errors. The impact of this on subsidy received by the Council will depend on whether this, combined with other errors, exceeds the error threshold set by the DWP for LA error.
- Backdates – the initial sample and further testing found several errors. There was no subsidy impact from these.
- Non HRA rent rebates - this error also occurred in previous years' claims. As the number of cases is relatively small I suggested the Benefits team check all cases before I started work on the 2010/11 claim. Staff carried out a review early in the year and reclassified cases. A further review was carried out in March 2011. This led to some properties being reclassified for a second time but only for periods going forward. No adjustment was made for the majority of the year tested so I reported this. There was no subsidy impact.

Invalid subsidy entries

- 1 Our testing identified cases of non HRA rent rebates which were systems errors and should not have been included in the claim. The Council carried out additional work and this resulted in the amendment to the claim of £12,556.

Start dates

I found three errors on start dates and the additional testing found a further five cases. With the exception of one case, these led to underpayment of benefit to claimants.

National non-domestic rates return

This is the largest claim or return by amount certified.

| Scope of work | Results |
|---|--|
| Value of return presented for certification | £48,697,000 |
| Limited or full review | Full - due to the change of NDR system in 2010. |
| Control environment relied on | No - due to the change of NDR system in 2010. |
| Amended | No |
| Qualification letter | No |
| Fee - 2010/11 | £5,034 -additional testing was required due to the change of system. |
| Fee -2009/10 | £1,736 |

The government runs a system of non-domestic rates using a national uniform business rate. Councils responsible for the scheme collect local business rates and pay the rate income over to the government. Councils have to complete a return setting out what they have collected under the scheme and how much they need to pay over to the government.

I found no errors on the national non-domestic rates return and I certified the amount payable to the pool without qualification.

Teachers' superannuation return

| Scope of work | Results |
|---|------------|
| Value of return presented for certification | £6,638,000 |
| Limited or full review | Limited |
| Control environment relied on | Yes |
| Amended | Yes |
| Fee - 2010/11 | £1,215 |
| - 2009/10 | £602 |

The Department of Work and Pensions requires me to certify the return for the teachers' pension scheme, which works separately from the Local Government Pension Scheme. Councils must complete a return setting out what they have collected under the scheme and how much they need to pay over to the government.

1 The claim was amended for a transposition error and a refund error. The net effect was £19.

Sure Start grant claim

| Scope of work | Results |
|--|--------------------------|
| Value of claim presented for certification | £4,119,000 |
| Limited or full review | Limited |
| Control environment relied on | Yes |
| Amended | Yes – reduced by £31,406 |
| Qualification letter | Yes |
| Fee - 2010/11 | £2,167 |
| - 2009/10 | £1,635 |

1

The Council runs facilities under the SureStart scheme as part of providing pre-school education. The Department for Education requires me to check this claim and certify that spending meets government criteria.

The claim was reduced for redundancy costs included in error. The lead team on Sure Start do not have access to all cost centres and are therefore reliant on information and reports provided by other teams in the Council, who use differing formats and ways of working and recording information. Working papers therefore varied in quality; you did not cross-reference them clearly and the audit trail was, for part of the claim, difficult to follow. However, officers were helpful in providing additional papers. I reported minor differences between the claim and quarterly capital claims to the Department in the qualification letter.

No recommendations are made as this was the last year of the claim.

Disabled facilities grant

Table 3: Claims from £125,000 and £500,000

| Scope of work | Results |
|--|--------------------------------------|
| Value of claim presented for certification | £299,000 |
| Limited or full review | Limited |
| Control environment relied on | not applicable - below the threshold |
| Amended | No |
| Qualification letter | No |
| Fee – 2010/11 | £120 |
| Fee – 2009/10 | £213 |

20

The disabled facilities grant funds adaptations, such as installing ramps and chairlifts, to allow disabled people to continue to live at home. I found no errors on the disabled facilities grant claim and certified the claim without qualification.

Summary of progress on previous recommendations

This section considers your progress completing previous recommendations.

My report in 2009/10 made several recommendations for the Housing Benefit and Council Tax claim in January 2011. As a result Internal Audit (IA) carried out follow up work and spot checks in 2011/12. The table below shows the results of IA's work. The table also shows findings from my 2010/11 work – the samples covered the full period so many errors found predate both my 2009/10 report and IA's work in 2011. At the time of drafting this report, results of IA's fourth spot check were being discussed with officers.

21

Table 4: Summary of progress on recommendations from earlier years

| Agreed action | Priority | Date for implementation | Responsible officer | Comments – what were the results of my 2010/11 certification? | Results of Internal Audit's (IA) follow up work in 2011/12 |
|---|-----------|-------------------------|--------------------------|---|--|
| 1) Parameters <ul style="list-style-type: none"> ■ Ensure these are entered correctly as soon as possible in the year. ■ Ensure that this is independently checked. | H, M or L | March 2011 | Benefits Service Manager | No issues arose. | Internal Audit (IA) confirmed in May and June 2011 that 2011/12 parameters were correctly updated and entered into Northgate, and the Chief Officer Housing checked that rates used had been independently reviewed and checked to the DWP circular. |

| Agreed action | Priority | Date for implementation | Responsible officer | Comments – what were the results of my 2010/11 certification? | Results of Internal Audit's (IA) follow up work in 2011/12 |
|---------------|-----------|-------------------------|---------------------|---|--|
| | H, M or L | | | | |

Maintain documentary evidence of this - so that further audit queries can be dealt with efficiently and quickly.

2) Take urgent action to reduce the level of errors found in classifying expenditure. Carry out staff training and stress the importance of coding expenditure correctly to staff, particularly overpayments. Carry out test checking of cases to assess progress made and any further action including training needs.

22

| | | | | | |
|---|---|------------|-----------------------------|--|--|
| 2) Take urgent action to reduce the level of errors found in classifying expenditure. Carry out staff training and stress the importance of coding expenditure correctly to staff, particularly overpayments. Carry out test checking of cases to assess progress made and any further action including training needs. | H | March 2011 | Benefits assessment Manager | Errors were found in my testing for classifying overpayments, non HRA rent rebates and backdates. Errors were at a similar level to 2009/10. | IA reported the system selects a 10 per cent sample of new claims and changes of circumstances (5 per cent of each). A senior officer checks each selected claim for accuracy including earnings, audit trail and classification. At August 2011 the service standards monitoring spreadsheet for 2011/12 confirmed that 10.07 per cent of new claims/changes of circumstances had been checked. IA reviewed the training programme for assessors for 2011/12 and reported it had been developed based on the findings from supervisors and sample checks of claims. IA noted from its third spot check a classification issue for one rent allowance. |
|---|---|------------|-----------------------------|--|--|

| Agreed action | Priority | Date for implementation | Responsible officer | Comments – what were the results of my 2010/11 certification? | Results of Internal Audit's (IA) follow up work in 2011/12 |
|--|-----------|-------------------------|-----------------------------|--|--|
| H, M or L | H, M or L | | | | |
| <p>3) Review non HRA cases in advance of certification work to ensure they are correctly classified. Ensure there is evidence on file to support their classification.</p> | M | March 2011 | Control and Support Officer | <p>There was evidence of checking of cases. However, some cases were reclassified incorrectly for periods going forwards and my testing identified further errors.</p> | <p>IA has recommended from its third spot check that checking be focussed on non Income Support cases where the scope for manual errors is greatest.</p> <p>IA found that non HRA cases are now checked by a senior officer and this includes classification.</p> |
| <p>4) Take urgent action to reduce the level of errors found calculating earnings. Carry out test checking of cases to assess progress made and any further action including training needs.</p> | H | | Benefits assessment Manager | <p>I found errors in assessment of earnings but they were fewer than in 2009/10.</p> | <p>As noted for recommendation 2, IA confirmed as at August 2011 that 10.07 per cent of new claims and changes of circumstances had been checked and that the training programme had been developed based on needs identified from findings of supervisory checks.</p> |

| Agreed action | Priority | Date for implementation | Responsible officer | Comments – what were the results of my 2010/11 certification? | Results of Internal Audit's (IA) follow up work in 2011/12 |
|--|----------|-------------------------|------------------------------------|---|--|
| <p>5) Ensure there is a clear audit trail on the benefits system of how assessors have reached judgements on benefits entitlement.</p> | <p>H</p> | | <p>Benefits assessment Manager</p> | <p>There remains scope for improvement. There is a proforma available but I found it was not used consistently and in some cases was not completed comprehensively. Officers inform us that there is an automatic trail in Northgate.</p> | <p>In its third spot check in August 2011 IA found earnings calculations to be satisfactory and a minor input error for one CTB claim. IA has recommended from its third spot check that checking be focussed on non Income Support cases where the scope for manual errors is greatest. IA confirmed that the supervisory checks undertaken as noted under recommendation 2 include checking the audit trail of documents to support assessors' judgements. At August 2011 the service standards monitoring spreadsheet for 2011/12 showed 10.07 per cent of new claims/changes of circumstances had been checked. IA's third spot check noted a minor input error with no impact on entitlement.</p> |

| Agreed action | Priority | Date for implementation | Responsible officer | Comments – what were the results of my 2010/11 certification? | Results of Internal Audit's (IA) follow up work in 2011/12 |
|---|-----------|-------------------------|-----------------------------|---|---|
| | H, M or L | | | Whichever method is used, the focus should remain on ensuring it is clear which evidence has been used and where it can be located. | |
| 6) Carry out risk based checking of claims to assess if benefit entitlement has been correctly calculated. | H | | Benefits assessment Manager | The Benefits team have provided evidence of risk based checking of claims as at December 2011. | IA confirmed that all claims over £1,000 were checked by a senior officer from April to August 2011. IA has recommended from its third spot check that checking be focussed on non Income Support cases where the scope for manual errors is greatest. |
| 7) Ensure that benefit managers are able to interrogate the Northgate system to allow errors found as part of certification testing to be quantified. | M | March 2011 | Benefits Service Manager | Staff were able to run some reports but were not able to provide all the analysis we requested. | IA confirmed training on Northgate was provided, and that manuals for management information and reports and a user guide for officers are available. |

| Agreed action | Priority | Date for implementation | Responsible officer | Comments – what were the results of my 2010/11 certification? | Results of Internal Audit's (IA) follow up work in 2011/12 |
|--|----------|-------------------------|--------------------------|---|---|
| 8) Allocate staff of sufficient skill and experience early in the certification work to ensure that queries are dealt with adequately and promptly, and to carry out 40 plus testing to the required standard. | H | | Benefits Service Manager | <p>particularly with data from the legacy system Pericles.</p> <p>Staff of sufficient skill were allocated. This was a complex year with cases spanning 2 systems. Some queries related to detailed cases in the legacy system which was no longer supported. It therefore took time for queries to be answered adequately and promptly. 40+ testing carried out was of better quality.</p> | IA reported that the Benefits Assessment Manager and System Control officer were assigned to deal with queries on certification work. |

| Agreed action | Priority | Date for implementation | Responsible officer | Comments – what were the results of my 2010/11 certification? | Results of Internal Audit's (IA) follow up work in 2011/12 |
|--|-----------|-------------------------|---------------------|---|--|
| <p>9) The Council should establish an action plan with clear timescales and responsibilities to:</p> <ul style="list-style-type: none"> ■ address the findings of this report; ■ ensure there is a clear audit trail for the entries for the 2010/11 claim; and ■ ensure there is a timetable to meet the certification deadline. | H, M or L | April 2011 | | <p>Internal Audit has carried out spot checks and followed up my previous recommendations. The Council made some manual adjustments to the claim – that is adjusted the output of the systems to compile the claim. Our queries on this took time to resolve.</p> <p>Due to the change of system, the level of errors found and additional testing required, the claim was not certified by the due date.</p> | <p>IA reported various documents were reviewed which supported stages of the process and the other recommendations had been implemented.</p> |

Summary of recommendations

This section highlights the recommendations from my work and the actions agreed.

Table 5: Summary of recommendations arising from 2010/11 work

| Recommendation | Priority | Agreed action | Date for implementation | Responsible officer |
|---|-----------|---|-------------------------|--------------------------|
| Keep the focus on reducing the level of errors in awarding and claiming subsidy for Housing Benefit and Council benefit. | H, M or L | Agreed Maintain existing regime for checking assessment work and resolving errors. | Ongoing | Benefits Service Manager |
| Continue to reduce the level of errors in assessing earnings and ensure there is a clear trail of how assessments have been made. | H | Agreed as above Maintain existing checking regime to focus on non Income Support cases. Management is currently reviewing working practices and evidence required for audit trails. | 1 April 2012 | Benefits Service Manager |
| Reduce the level of errors in classification. Review the classification of cases in Northgate, in particular for errors found in 2010/11 such as non HRA rent rebates, regulated tenancies and overpayments. | H | Ongoing Proformas are prepared by Housing staff to demonstrate the type of accommodation. The Northgate system requires more information to be input before non HRA cases can be assessed. | Ongoing | Benefits Service Manager |

| Recommendation | Priority | Agreed action | Date for implementation | Responsible officer |
|---|-----------|--|-------------------------|--------------------------|
| | H, M or L | | | |
| Ensure changes in benefit regulations, are reflected in the software and subsidy claim. | H | Officers are to ensure it is set up to reflect correctly classification of non HIRA cases. Agreed This was an issue with the legacy system. The software supplier will be ensuring changes are reflected in the supplied system. | Ongoing | Benefits Service Manager |
| Investigate why there are start date errors and provide training if required. | H | Agreed Being covered by refresher and ongoing training as part of checking process. | Ongoing | Benefits Service Manager |
| As audit queries are raised ensure staff are clear on what is required so action is planned to clear them promptly and effectively. | H | Agreed Use of proforma to record requests, actions and timescales agreed with auditors has been introduced. | Implemented | Benefits Service Manager |

Summary of certification fees

This section summarises the fees for my 2010/11 certification work and highlights the reasons for any significant changes from 2009/10.

Table 6: Summary of certification fees

| Claim or return | 2010/11 fee | 2009/10 fee | Reasons for changes in fee greater than +/- 10 per cent |
|---|----------------|----------------|--|
| Housing and council tax benefit scheme | £70,677 | £67,345 | Not applicable. |
| National non-domestic rates return | £5,034 | £1,736 | Additional testing was required due to the change of NDR system in October 2010. |
| Teachers' pensions return | £1,215 | £602 | Amendment to claim was needed. |
| Sure start, early years and childcare grant and aiming high for disabled children grant | £2,167 | £1,635 | Due to errors found and the need to report. |
| Disabled facilities | £120 | £213 | Total variation is small. |
| Reporting and Management | £4,189 | £3,125 | A number of meetings have been held to agree the report |
| Total | £83,402 | £74,656 | |

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The Statement of responsibilities of grant-paying bodies, authorities, the Audit Commission and appointed auditors in relation to claims and returns issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body.



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TO: GOVERNANCE AND AUDIT COMMITTEE
27 MARCH 2012

**INTERNAL AUDIT PLAN 2012/13
(Head of Audit and Risk Management)**

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to set out the underlying principles applied in the Internal Audit planning process and seek the Governance and Audit Committee's approval of the Internal Audit Plan for 2012/13.

2 RECOMMENDATION

- 2.1 **That the Governance and Audit Committee approve the Internal Audit Plan for 2012/13 attached at Appendix 1.**

3 REASONS FOR RECOMMENDATION

- 3.1 To ensure that the Council meets its statutory responsibility under the Accounts and Audit (England) Regulations 2011 to "undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control".

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 There is no alternative option.

5 SUPPORTING INFORMATION

Internal Audit Requirements

- 5.1 The Council delegates its statutory responsibilities for the provision of the internal audit service under the Accounts and Audit (England) Regulations 2011 to the Borough Treasurer.

- 5.2 The Regulations require conformance with the CIPFA Code of Practice for Internal Audit in Local Government which defines internal audit as follows:-

"Internal Audit is an assurance function that provides an independent and objective opinion to the organisation on the control environment by evaluating its effectiveness in achieving the organisation's objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources."

- 5.3 More specifically, Internal Audit aims to: -

- satisfy the legal requirements of a Local Authority Internal Audit Service and provide an annual opinion on the adequacy of the Council's control environment;

- examine, evaluate and report independently and objectively on the adequacy of management's arrangements to secure the proper use of resources (economy, efficiency and effectiveness);
- assist management in achieving its objectives, managing its risks and establishing and maintaining adequate systems of internal control
- assist management, where appropriate, in the investigation of alleged fraud, theft, corruption or other irregularity; and
- ensure External Audit can continue to place reliance on Internal Audit's work, to avoid duplication and minimise audit fees.

5.4 Internal Audit provides independent assurance on the control environment and acts as a deterrent to would-be fraudsters but for Internal Audit to provide full assurance on all activities and transactions across the organisation, the Council would need to commit significantly more resources to internal audit services than is realistically available. Full assurance could only ever be achieved by checking every transaction and this would not deliver value for money. Internal Audit's work is planned so that Members and Officers can rely on Internal Audit to detect significant control weaknesses for the areas audited and transactions sampled and is hence directed to areas of greatest risk. Whilst Internal Audit reviews alone, although carried out with due professional care, cannot guarantee that frauds will be detected, Internal Audit is only one element of the framework in place to prevent and detect fraud and corruption. This includes the newly updated Anti-Fraud and Corruption Policy, the Anti- Money Laundering Policy, the Codes of Conduct for Members and Officers, the Whistle Blowing Policy and management actions to ensure effective internal control.

Development of the Annual Internal Audit Plan

Risking Methodology

5.5 Given the finite resources available to spend on internal audit, the Internal Audit Plan is risk driven to ensure that the audit resources available are targeted to focus on those areas of the Council's business that have the greatest influence on the achievement of its objectives. The formulation of the annual Internal Audit Plan started with a risk assessment of the Council's activities, assets and income and expenditure streams through consideration of the following risk factors:

- Materiality ~ this focussed on monetary value as given in budget plans and previous outturn to ensure that the Internal Audit Plan has adequate coverage of areas of high spend and income. The consideration of materiality also took into account the significance of the activity for the Authority for example where a monetary value cannot be clearly assigned such as corporate governance matters;
- Fraud/Irregularity ~ the potential risk of fraud or irregularity for individual activities was considered to ensure that areas of high risk, such as those involving cash handling are subject to regular audit;
- Third Party Sensitivity ~ emphasis has been placed on areas on which third parties place reliance. For example data quality which encompasses performance indicators reported to central government departments;
- Internal Control Environment ~ the expected robustness of the control environment based on previous audit opinions, local knowledge and feedback from Finance and other officers was taken into account. Where the control environment was assessed as weak, a higher priority was

assigned to that activity when determining which areas would be included in the Plan;

- Time since the last audit ~ the elapsed time since the last audit was taken into consideration;
- Other Assurance Coverage ~ consideration was given to whether external inspections or external audits have been completed which would already provide the Council with assurance. For example fixed assets are subject to detailed audit by the Audit Commission as part of their audit of the financial statements and hence is not included in the Internal Audit Plan;
- The Likely Effectiveness of Audit ~ Given finite resources it is important that audit work focuses on areas where Internal Audit can add value and hence in determining what areas should be covered emphasis has been given to such areas which can provide assurance to management, for example school audits.

5.6 Following this risk assessment, a number of other factors were considered in producing the detailed Plan and these are summarised below.

Key Financial Systems

5.7 Emphasis has been placed on ensuring that there is audit coverage of the key financial systems which are fundamental to financial control at the Council and hence are included in the Internal Audit Plan each year. The 2012/13 Plan includes 161 days on key financial systems representing 27% of the total days in the Plan. These systems provide the underlying data for the annual financial statements audited by our external auditors. The Internal Audit Plan has been structured to ensure that the external auditors can place maximum reliance on the work of Internal Audit on the key financial systems thus minimising external audit fees in respect of the accounts.

Governance

5.8 The CIPFA Statement on the role of the Head of Internal Audit in public service organisations published in 2010 emphasises the role that the Head of Internal Audit in a public service organisation plays in delivering the organisation's strategic objectives by championing best practice in governance and giving an objective and evidence based opinion on all aspects of governance, risk management and internal control. The CIPFA Statement concludes that the demand for better public services within a complex environment has strengthened the need for effective governance and that Internal Audit is one of the cornerstones of effective governance. The Head of Audit and Risk Management meets with the Borough Treasurer on a monthly basis and with the Chief Executive on a quarterly basis to discuss audit and risk management issues. Each year, the Annual Plan incorporates aspects of governance arrangements for testing. For example, the 2012/13 Plan includes audits on access to the Department of Works and Pensions Customer Information System and compliance with Payment Card Industry Standards.

Probity

5.9 Probity audits provide assurance over the proper administration of the Authority's activities. In drawing up the annual Internal Audit Plan, focus has been placed on ensuring there is coverage of areas where in any organisation there is potential risk of abuse for example imprests.

Changes to Regulation, Procedures or IT Systems

5.10 Internal Audit reviews have been included in the Plan where significant changes to key procedures and processes have been identified or where new IT systems or

major upgrades are being implemented. Examples of reviews included for this reason are the audits of controls under the new agency (Commensura) and food (Acquire) ordering contracts.

Internal Audit Plan 2011/12

- 4.11 The Internal Audit Plan for 2012/13 is attached at Appendix 1 for the Committee's review and approval.

Resourcing Delivery of the Audit Plan

- 4.12 Delivery of the audits in the Council's internal audit plan is outsourced. During 2011/12 the contract for this service has been re-tendered in accordance with EU Procurement Regulations. The contract was awarded to Deloitte & Touche Public Sector Internal Audit Limited and commences on 1st April 2012. It is anticipated that two thirds of the planned audits will be delivered by Deloitte. The remaining audits will be undertaken by Reading Borough Council Internal Audit Services and Wokingham Borough Council Internal Audit Services through an agreement under S113 of the Local Government Act 1972 which permits local authorities to provide staffing resources to other authorities.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 Nothing to add.

Borough Treasurer

- 6.2 The 2012/13 budget includes provision of £199k for internal audit services. This Plan can be met from within these resources.

Equalities Impact Assessment

- 6.3 Not applicable.

Strategic Risk Management Issues

- 6.4 Robust internal audit arrangements are an important part of effective risk management. Audit plans should be targeted to areas of greatest risk to the Council and individual internal audit reviews should focus on controls in place to mitigate risk and highlight any gaps in assurance.

7 CONSULTATION

Principal Groups Consulted

- 7.1 The Chief Executive, Directors and Chief Officers at the Council, the Council's external auditors and the Council's internal audit services contractors (Deloitte).

Method of Consultation

- 7.2 At the initial drafting stage, discussions were held with the Section 151 Officer, Directors and other key officers from all directorates. Meetings were held with the contractor's Computer Auditor and the Chief Officer: Information Services to discuss the proposed IT audits. The draft Plan was then formulated and circulated to the external auditors and to Directors for discussion at their DMTs and discussed with the Chief Executive. The draft was then adjusted to take on board all comments received before being reviewed by the Corporate Management Team. Feedback on the content of the draft Plan and timing of audits has been taken into account in the Plan attached at Appendix 1.

Representations Received

- 7.3 Not applicable.

Background Papers

2012/13 Budget Papers
Discussion notes

Contact for further information

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SUMMARY OF ANNUAL INTERNAL AUDIT PLAN 2012/13

| AUDIT | DAYS BY QUARTER | | | | TOTAL DAYS |
|-------------------------------------|-----------------|-----|-------|-----|------------|
| | Q1 | Q2 | Q3 | Q4 | |
| CORPORATE SERVICES | 37 | 38 | 116 | 28 | 219 |
| CHIEF EXECUTIVE'S OFFICE | 0 | 15 | 0 | 7 | 22 |
| ENVIRONMENT CULTURE AND COMMUNITIES | 9 | 27 | 30 | 33 | 99 |
| CHILDREN, YOUNG PEOPLE AND LEARNING | 70.5 | 15 | 19.5 | 12 | 117 |
| ADULT SOCIAL CARE AND HEALTH | 13 | 23 | 39 | 19 | 94 |
| COMPUTER AUDITS | 18 | 8 | 15 | 8 | 49 |
| TOTAL | 147.5 | 126 | 219.5 | 107 | 600 |

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CORPORATE SERVICES

| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY FINANCIAL SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
|---|--|------|---------|----|----|----|----------------------|---|------------------------------|---------|
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| FINANCE Treasury Management | Review and testing of controls over investment of Council's funds. | 5 | 0 | 0 | 5 | 0 | ✓ | ✓ Financial and Economic | | ✓ |
| Creditors | Review and testing of controls over authorisation and payment of supplier invoices. | 12 | 0 | 0 | 12 | 0 | ✓ | ✓ Financial and Economic | | ✓ |
| Debtors | Review and testing of controls over the recording, collection and write-off of debts. | 12 | 0 | 0 | 12 | 0 | ✓ | ✓ Financial and Economic | | ✓ |
| Main Accounting (including reconciliations) | Review and testing of controls over general ledger which is the basis for Council's financial reporting and accounts. | 15 | 0 | 0 | 15 | 0 | ✓ | ✓ Financial and Economic | | |
| Budgetary Setting and Control | Review and testing of controls over the setting, monitoring and control of revenue and capital budgets. | 12 | 0 | 0 | 12 | 0 | ✓ | ✓ Financial and Economic | | ✓ |
| Imprests | Review and testing of controls over and oversight of imprest accounts. | 7 | 0 | 7 | 0 | 0 | ✓ | ✓ Financial and Economic | | ✓ |
| Payroll and Pre-Employment Checks | Review and testing of controls in place to ensure salaries are accurately paid and only to individuals properly employed by the Council. | 15 | 0 | 0 | 15 | 0 | ✓ | ✓ Financial and Economic Staffing | | |
| Procurement Cards (excluding schools) | Review and testing of procedures and controls in | 5 | 0 | 0 | 5 | 0 | ✓ | ✓ Financial and | ✓ | ✓ |

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| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY FINANCIAL SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
|--|---|------|---------|----|----|----|----------------------|-----------------------------|------------------------------|---------|
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| | place over the new procurement cards following wider implementation across the Council. | | | | | | | Economic | | |
| Mobile phones | Testing of controls over mobile phone recharges through the payroll | 3 | 0 | 0 | 0 | 3 | | ✓ Financial and Economic | | |
| REVENUES | | | | | | | | | | |
| Cash Payments Management | Review and testing of controls over the collection, recording and banking of payments made to the Council including on line, cash, cheque and credit card payments. | 10 | 0 | 0 | 10 | 0 | ✓ | ✓ Financial and Economic | ✓ | |
| Council Tax | Review and testing of controls in place over calculation, billing and collection of Council Tax. | 10 | 0 | 0 | 10 | 0 | ✓ | ✓ Financial and Economic | | |
| NNDR | Review and testing of controls in place over calculation, billing and collection of non-domestic rates. | 10 | 0 | 0 | 10 | 0 | ✓ | ✓ Financial and Economic | | |
| DEMOCRATIC SERVICES | | | | | | | | | | |
| Members expenses, allowances and hospitality | Review and testing of controls over the payments of members' expenses and allowances and the recording of hospitality. | 7 | 0 | 7 | 0 | 0 | | ✓ Financial and Economic | ✓ | |
| Registration Services | The audit will cover the procedures and controls over the recording of births, | 7 | 0 | 7 | 0 | 0 | | ✓ Financial and Economic | | |

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| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY FINANCIAL SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
|--|--|------|---------|----|----|----|----------------------|---------------------------------|------------------------------|---------|
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| | deaths, marriages and civil partnerships to ensure that statutory responsibilities are met, controls over income from charges raised and controls over expenditure and imprests. | | | | | | | | | |
| PROPERTY SERVICES | Audit of transport costs looking at controls over the ordering and payment of ad hoc transport services, adults and children's social care transport and home to school transport. | 10 | 10 | 0 | 0 | 0 | | ✓ Financial and Economic | | |
| Transport | | | | | | | | | | |
| Bus Mileage Transport Grant | Certification of grant claim | 2 | 2 | 0 | 0 | 0 | | ✓ Financial and Economic | | |
| COUNCIL WIDE AUDITS | Testing to ensure that service areas accessing CIS are complying with the conditions for using CIS | 5 | 5 | 0 | 0 | 0 | | ✓ Litigation and Legislation | ✓ | |
| Access to Department for Works and Pension Customer Information System (CIS) | | | | | | | | | | |
| Council wide Procurement | Review and testing of procurement controls. | 15 | 0 | 0 | 0 | 15 | ✓ | ✓ Financial and Economic | ✓ | |
| HMRC and employment status | Review of employment arrangements for consultants, etc. The review will look at policies and testing of payments made to consultants. | 10 | 10 | 0 | 0 | 0 | | ✓ Financial and Economic | ✓ | |
| Facilities Management | The audit will review the arrangements for facilities | 7 | 0 | 7 | 0 | 0 | | ✓ Financial and | | |

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| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY FINANCIAL SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
|-------------------------------------|---|------|---------|----|-----|----|----------------------|-------------------------|------------------------------|---------|
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| | management across the Council. | | | | | | | Economic | | |
| GENERAL | | | | | | | | | | |
| FOLLOW UP OF RECOMMENDATIONS | Review of progress on implementation of agreed recommendations in previous audit reports. | 20 | 5 | 5 | 5 | 5 | | | | |
| CONTINGENCY | Contingency days | 20 | 5 | 5 | 5 | 5 | | | | |
| TOTAL | | 219 | 37 | 38 | 116 | 28 | | | | |

CHIEF EXECUTIVE'S OFFICE

| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY FINANCIAL SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
|---|--|------|---------|----|----|----|----------------------|---|------------------------------|---------|
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| COUNCILWIDE AUDITS | | | | | | | | | | |
| Data Quality | Review of management information collated and monitored | 15 | 0 | 15 | 0 | 0 | | | ✓ | |
| Compulsory purchase payments (scheduled for quarter 4 but to be re-assessed at the start of quarter 4 to see if this needs to be deferred into 2013/14) | Testing of controls over the calculation and payment compulsory purchase order payments under the town centre project. | 7 | 0 | 0 | 0 | 7 | | ✓ Financial and Economic Town Centre Regeneration Project | | |
| TOTAL | | 22 | 0 | 15 | 0 | 7 | | | | |

ENVIRONMENT CULTURE AND COMMUNITIES

| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY FINANCIAL SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
|--|--|------|---------|----|----|----|----------------------|---|------------------------------|---------|
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| PLANNING AND TRANSPORT Highway Network Management | Audit of procedures and controls over the Council's arrangements for controlling works undertaken by utilities companies which impacts on the highway network, management of the highways and arrangements for ensuring compliance with the Council's statutory responsibilities. The audit will include review and testing of processes and controls for levying charges. | 8 | 0 | 8 | 0 | 0 | | ✓ Financial and Economic Litigation and Legislation | | |
| Public transport and Concessionary Fares | The audit will focus on public transport subsidy, the application of the "calculator" and controls over concessionary fares. | 8 | 0 | 0 | 0 | 8 | | ✓ Financial and Economic | | |
| CRC Scheme | Audit of procedures and controls over in place for ensuring compliance with the Carbon Reduction Commitment scheme | 5 | 0 | 0 | 5 | 0 | | ✓ Financial and Economic Litigation and Legislation | | |
| ENVIRONMENT AND PUBLIC PROTECTION Street Cleansing | The audit will focus on procedures and controls put in place following restructure. | 7 | 0 | 0 | 7 | 0 | | ✓ Financial and Economic | | |
| Street Lighting | The audit will review and test | 7 | 0 | 7 | 0 | 0 | | ✓ | | |

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| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY FINANCIAL SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
|--|---|------|---------|----|----|----|----------------------|---|------------------------------|---------|
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| | procedures and controls in place for programming and completing night scouting, expenditure on programmed street light replacement and reactive light replacement and controls of expenditure on traffic signals. | | | | | | | Financial and Economic | | |
| Winter Weather Plan | The audit will review and test procedures and controls in place over expenditure under the winter weather plan including variable expenditure for gritting of highways. | 5 | 5 | 0 | 0 | 0 | | ✓ Financial and Economic | | |
| Landscape Services | The audit will review recording arrangements for the inventory of sites/locations to which services are provided and audit and test procedures and controls over expenditure and stock and the robustness of risk management procedures operating within the service. The review will be timed to take into account the closure of the nursery and check controls over assets during the closure process. | 7 | 0 | 7 | 0 | 0 | | ✓ Financial and Economic | | |
| Regulatory Services | The audit will follow up the recommendations from the previous audits undertaken in trading standards, licensing and environmental health but will also focus on management controls and testing of controls over income put in place following restructuring. | 10 | 0 | 0 | 0 | 10 | | ✓ Financial and Economic Litigation and Legislation | | |
| LEISURE AND CULTURE Easthampstead Conference | Detailed follow up and testing focussing on the key areas of concern highlighted by the weaknesses and recommendations raised at the | 5 | 0 | 5 | 0 | 0 | | ✓ Financial and Economic | | ✓ |

Unrestricted

| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY FINANCIAL SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
|-----------------------|---|------|---------|----|----|----|----------------------|-----------------------------|------------------------------|---------|
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| Centre | 2011/12 audit. | | | | | | | | | |
| Coral Reef | The audit will include review and testing of controls over the collection of income including car par discounts/charges, petty cash, imprests, inventory, fixed assets and incurring and approval of expenditure. | 7 | 0 | 0 | 7 | 0 | | ✓ Financial and Economic | ✓ | |
| The Look Out | The audit will include review and testing of controls over the collection of income including car par discounts/charges, petty cash, imprests, inventory, fixed assets and incurring and approval of expenditure. | 5 | 0 | 0 | 5 | 0 | | ✓ Financial and Economic | ✓ | |
| Libraries | The audit will include some sample visits (to still be determined and to take into consideration the timing of planned refurbishments for 2012/13) to review local processes including those over ordering, receipting and recording, budget monitoring, income, petty cash and inventory controls. The audit will also include review of procedures and controls in place to recover non-returned items. | 6 | 0 | 0 | 6 | 0 | | ✓ Financial and Economic | ✓ | |
| Countryside and Parks | The audit will review and test controls over expenditure, income, imprests and inventory. | 5 | 0 | 0 | 0 | 5 | | ✓ Financial and Economic | | |
| Cash Spot checks | Probity checks at a sample of leisure sites | 3 | 0 | 0 | 0 | 3 | | ✓ Financial and Economic | ✓ | |

Unrestricted

| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY FINANCIAL SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
|---|---|------|---------|----|----|----|----------------------|-----------------------------|------------------------------|---------|
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| GRANT CLAIMS <i>Integrated Transport Grant (in-house)</i> | <i>Audit of grant claim</i> | 4 | 4 | 0 | 0 | 0 | | ✓ Financial and Economic | | ✓ |
| COUNCIL WIDE AUDITS (CMT) Acquire Food Agent | The audit is Council wide but is noted here given that the category manager for the procurement is the Chief Officer: Leisure and Culture. The audit will be carried out once the contract has bedded in and will focus on compliance with controls over ordering, purchasing and payment approval. | 7 | 0 | 0 | 0 | 7 | | ✓ Financial and Economic | | ✓ |
| TOTAL | | 99 | 9 | 27 | 30 | 33 | | | | |

CHILDREN, YOUNG PEOPLE AND LEARNING

| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY FINANCIAL SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
|--|--|------|---------|----|----|----|----------------------|---|------------------------------|---------|
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| LEARNING AND ACHIEVEMENT Edgbarrow Secondary | Review of key budgetary and financial controls, procurement and pre-employment checks. | 5 | 5 | 0 | 0 | 0 | | ✓ Financial and Economic Staffing | | ✓ |
| Garth Hill College | Review of key budgetary and financial controls (including detailed review of controls over asset management), procurement and pre-employment checks. | 6 | 6 | 0 | 0 | 0 | | ✓ Financial and Economic Staffing | | ✓ |
| Sandhurst Secondary | Review of key budgetary and financial controls, procurement and pre-employment checks. | 5 | 5 | 0 | 0 | 0 | | ✓ Financial and Economic Staffing | | ✓ |
| Kennel Lane Special School | Review of key budgetary and financial controls, procurement and pre-employment checks. | 5 | 0 | 0 | 5 | 0 | | ✓ Financial and Economic Staffing | | ✓ |
| Ascot Heath Infant | Review of key budgetary and financial controls, procurement and pre-employment checks. | 3.5 | 3.5 | 0 | 0 | 0 | | ✓ Financial and Economic Staffing | | ✓ |
| Binfield Primary (Follow up of | Follow up due to limited assurance conclusion in | 3.5 | 3.5 | 0 | 0 | 0 | | ✓ Financial and | | ✓ |

Unrestricted

| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY FINANCIAL SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
|-------------------------------|--|------|---------|----|-----|----|----------------------|---|------------------------------|---------|
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| limited) | 20011/12 | | | | | | | Economic Staffing | | |
| Cranbourne Primary | Review of key budgetary and financial controls, procurement and pre-employment checks. | 3.5 | 3.5 | 0 | 0 | 0 | | ✓ Financial and Economic Staffing | | ✓ |
| Holly Spring Infant & Nursery | Review of key budgetary and financial controls, procurement and pre-employment checks. | 3.5 | 3.5 | 0 | 0 | 0 | | ✓ Financial and Economic Staffing | | ✓ |
| Jennett's Park | Review of key budgetary and financial controls, procurement and pre-employment checks. | 3.5 | 3.5 | 0 | 0 | 0 | | ✓ Financial and Economic Staffing | | ✓ |
| The Pines | Review of key budgetary and financial controls, procurement and pre-employment checks. | 3.5 | 3.5 | 0 | 0 | 0 | | ✓ Financial and Economic Staffing | | ✓ |
| St. Margaret Clitherow | Review of key budgetary and financial controls, procurement and pre-employment checks. | 3.5 | 0 | 0 | 3.5 | 0 | | ✓ Financial and Economic Staffing | | ✓ |
| Uplands Primary | Review of key budgetary and | 3.5 | 3.5 | 0 | 0 | 0 | | ✓ | | ✓ |

Unrestricted

49

| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY FINANCIAL SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
|--|---|------|---------|----|----|----|----------------------|---|------------------------------|---------|
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| | financial controls, procurement and pre-employment checks. | | | | | | | Financial and Economic Staffing | | |
| School Improvement | Testing of procedures and controls over school improvement strategies. The review will include testing of controls over expenditure and income including recharges. | 5 | 0 | 5 | 0 | 0 | | ✓ Financial and Economic | | |
| Education Welfare Services | Testing of procedures and controls in place to ensure the statutory responsibility for school attendance and education and regulation of child employment. | 7 | 7 | 0 | 0 | 0 | | ✓ Litigation and Legislation Safeguarding of Children and Vulnerable Adults | | |
| Governor Services | Testing of procedures and controls over training development and support for governors. The audit will include review of budget monitoring arrangements and testing of controls over expenditure. | 5 | 5 | 0 | 0 | 0 | | ✓ Financial and Economic | ✓ | |
| CHILDREN'S SOCIAL CARE Fostering | Testing of procedures and controls for assessment and payments of foster carers. | 7 | 0 | 0 | 0 | 7 | | ✓ Financial and Economic Demands for Services | | |

Unrestricted

| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY FINANCIAL SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
|---|---|------|---------|----|----|----|----------------------|---|------------------------------|---------|
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| | | | | | | | | Safeguarding of Children and Vulnerable Adults | | |
| Residential Social Care Placements | Testing of procedures and controls for the placing and payment of residential placements. The audit will exclude school placements. | 4 | 0 | 0 | 4 | 0 | | ✓ Financial and Economic Demands for Services Safeguarding of Children and Vulnerable Adults | | |
| Family Centre | Establishment visits to review controls including those over income, expenditure, staff costs, imprests and stock. | 3 | 0 | 3 | 0 | 0 | | ✓ Financial and Economic | | ✓ |
| STRATEGY, RESOURCES AND EARLY INTERVENTION Safeguarding Risk Management Framework | The review will identify and draw together the framework for management of safeguarding risks. | 5 | 5 | 0 | 0 | 0 | | ✓ Safeguarding of Children and Vulnerable Adults | ✓ | |
| School census | Sample testing of school census data used as basis for funding allocation | 7 | 7 | 0 | 0 | 0 | | ✓ Financial and Economic Demands for Services | | |
| Youth Services | The review will take place following the reshaping of the | 7 | 0 | 7 | 0 | 0 | | ✓ Financial and | | ✓ |

Unrestricted

| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY FINANCIAL SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
|----------------------|--|------|---------|----|------|----|----------------------|---|------------------------------|---------|
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| | service to advise and assist in the development of the new systems and procedures. | | | | | | | Economic | | |
| Off -site activities | Follow up 2010/11 audit which concluded limited assurance | 7 | 0 | 0 | 7 | 0 | | ✓ Financial and Economic Litigation and Legislation | ✓ | |
| YPLA Grant Return | Sample testing to provide assurance to the S151 Officers to sign off the YPLA Grant return | 6 | 6 | 0 | 0 | 0 | | ✓ Financial and Economic Litigation and Legislation | | ✓ |
| Follow Up | Contingency for follow up of previous recommendations in schools | 5 | 0 | 0 | 0 | 5 | | | | |
| TOTAL | | 117 | 70.5 | 15 | 19.5 | 12 | | | | |

ADULT SOCIAL CARE AND HEALTH

| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY FINANCIAL SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
|---|---|------|---------|----|----|----|----------------------|---|------------------------------|---------|
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| ADULTS AND COMMISSIONING Headspace | Contingency for follow up of recommendations raised at the 2011/12 audit which concluded only limited assurance could be given should the external transfer of Head space not go ahead. | 3 | 0 | 0 | 3 | 0 | | ✓ Financial and Economic | | ✓ |
| Mental Health | Review of compliance with controls and delegations over eligibility, assessment of need and approving care packages. The review will include testing of new referrals and will also include sampling of existing packages to check controls over package creep. | 7 | 0 | 0 | 7 | 0 | | ✓ Financial and Economic Demands for Services Safeguarding of Children and Vulnerable Adults | | ✓ |
| OLDER PEOPLE AND LONG TERM CONDITIONS Emergency Duty Team | Follow up audit following the limited assurance conclusion at the 2011/12 audit | 5 | 0 | 5 | 0 | 0 | | ✓ Financial and Economic | | ✓ |
| Older People | Review of compliance with controls and delegations over eligibility, assessment of need and approving care packages. The review will include testing of new referrals and will also include sampling of existing packages to check controls over package creep. | 7 | 0 | 0 | 0 | 7 | | ✓ Financial and Economic Demands for Services Safeguarding of Children and | | ✓ |

Unrestricted

| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY FINANCIAL SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
|---|--|------|---------|----|----|----|----------------------|-----------------------------|------------------------------|---------|
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| | | | | | | | | Vulnerable Adults | | |
| Community Response and Reablement | Establishment visits to review controls including those over income, expenditure, staff costs, imprests, client monies and stock. | 5 | 0 | 5 | 0 | 0 | | ✓ Financial and Economic | | ✓ |
| PERFORMANCE AND RESOURCES CONTROCC | Review of effectiveness and compliance with controls over payments made via CONTROCC. The review will take place after e payments has been introduced. (NB this forms part of the key financial systems) | 7 | 0 | 0 | 7 | 0 | ✓ | ✓ Financial and Economic | | ✓ |
| Financial Assessments | Review of controls for ensuring that financial assessments and benefits checks are conducted as required and properly documented and all assessments/ benefits checks are subject to adequate checking and review. | 7 | 0 | 0 | 0 | 7 | | ✓ Financial and Economic | | ✓ |
| HOUSING | | | | | | | | | | |
| Housing & Council Tax Benefits | Audit of controls in place over entitlement, calculation and payment of housing and Council Tax benefits. | 15 | 0 | 0 | 15 | 0 | ✓ | ✓ Financial and Economic | | ✓ |
| Housing Benefit Spot Checks | Additional spot checking of the assessment of benefits. | 16 | 8 | 8 | 0 | 0 | ✓ | ✓ Financial and Economic | | ✓ |
| Council Tax Benefits Reforms | Review of preparedness for introducing changes to Council Tax benefits. | 5 | 0 | 0 | 0 | 5 | ✓ | ✓ Financial and Economic | | ✓ |

Unrestricted

| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY FINANCIAL SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
|--|---|-----------|-----------|-----------|-----------|-----------|----------------------|-----------------------------|------------------------------|---------|
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| | | | | | | | | Litigation and Legislation | | |
| Housing Rents/Deposits | Review and testing of procedures and controls in place for recording and collecting monies provided for rents and housing deposits. The audit coverage will include debt management and the writing off of debts and basic IT access and security controls. | 5 | 5 | 0 | 0 | 0 | | ✓ Financial and Economic | | ✓ |
| GENERAL Commensura Agency Contract | The audit is Council wide but is noted here given that the category manager for the procurement is the Chief Officer: Older People and long term Conditions. The audit will be carried out once the contract has bedded in and will focus on compliance with controls over ordering, purchasing and payment approval. | 7 | 0 | 0 | 7 | 0 | | ✓ Financial and Economic | | ✓ |
| Transfer of Public Health | Review of financial arrangements for transfer of funding arising from the reforms. | 5 | 0 | 5 | 0 | 0 | | ✓ Financial and Economic | | |
| TOTAL | | 94 | 13 | 23 | 39 | 19 | | | | |

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**COMPUTER AUDITS
SUMMARY OF COMPUTER AUDIT DAYS**

| AUDIT | DAYS BY QUARTER | | | | TOTAL DAYS |
|-------------------------------------|-----------------|----|----|----|------------|
| | Q1 | Q2 | Q3 | Q4 | |
| CORPORATE SERVICES | 13 | 8 | 15 | 8 | 44 |
| CHIEF EXECUTIVE'S OFFICE | 0 | 0 | 0 | 0 | 0 |
| ENVIRONMENT CULTURE AND COMMUNITIES | 0 | 0 | 0 | 0 | 0 |
| ADULT SOCIAL CARE AND HEALTH | 5 | 0 | 0 | 0 | 5 |
| CHILDREN, YOUNG PEOPLE AND LEARNING | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 18 | 8 | 15 | 8 | 49 |

Unrestricted

56

| CORPORATE SERVICES | | | | | | | | | | |
|---|---|------|---------|----|----|----|---------------|-------------------------------|------------------------------|---------|
| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY IT SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| Agresso | Audit of the upgrade of the Agresso financial system from Version 5.4 to Version 5.5. ((Brought forward from 2011/12 Plan) | 5 | 5 | 0 | 0 | 0 | ✓ | | | ✓ |
| Disaster Recovery | Audit of the effectiveness of procedures in place for disaster recovery and compliance with arrangements for testing and verification. | 6 | 3 | 0 | 0 | 3 | | ✓ | ✓ | |
| Back Ups | The audit will review the effectiveness of procedures and controls in place for the back-up of the Council's IT systems and check that these are being properly complied with. | 5 | 5 | 0 | 0 | 0 | | ✓ | ✓ | |
| Physical and Environmental Controls | Physical and environmental security controls in place for key IT systems and assets. The audit will include controls in place over key hosted services on web based applications. | 8 | 0 | 8 | 0 | 0 | | ✓ | ✓ | |
| Compliance with PCI Data Security Standards | The process for ensuring the Council complies with the requirements of the Payment Card Industry Data Security Standards relating to the collection and processing of customer credit and debit card details. The audit will be Council wide. | 5 | 0 | 0 | 0 | 5 | ✓ | ✓ Loss of systems and data | ✓ | |
| Adherence to | Ongoing compliance with the | 5 | 0 | 0 | 5 | 0 | | ✓ | ✓ | |

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| CORPORATE SERVICES | | | | | | | | | | |
|--|--|------|---------|----|----|----|---------------|-------------------------|------------------------------|---------|
| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY IT SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| Government Connect | requirements of GSi Code of Connection with specific focus on changes to requirements. | | | | | | | | | |
| Information Security and Information Risks | The audit will review the policies and procedures in place for ensuring the security of information and identifying, controlling and monitoring information risks. | 10 | 0 | 0 | 10 | 0 | | ✓ | ✓ | ✓ |
| TOTAL | | 44 | 13 | 8 | 15 | 8 | | | | |

57

| ADULT SOCIAL CARE AND HEALTH | | | | | | | | | | |
|------------------------------|---|------|---------|----|----|----|---------------|-------------------------|------------------------------|---------|
| AUDIT | DESCRIPTION OF AREA TO BE COVERED BY THE AUDIT | DAYS | QUARTER | | | | KEY IT SYSTEM | LINK TO STRATEGIC RISKS | LINK GOVERNANCE ARRANGEMENTS | PROBITY |
| | | | Q1 | Q2 | Q3 | Q4 | | | | |
| CONTROCC | Audit of IT controls over the Controcc software within IAS used for financial payments and personal budgets. The audit will assess the adequacy and effectiveness of internal controls in operation over access, data input and processing, output, interface, audit trail and arrangements for backup and recovery. (NB. Audit deferred from 2011/12 so that the new audit contractor could undertake the audit) | 5 | 5 | 0 | 0 | 0 | ✓ | | | ✓ |
| TOTAL | | 5 | 5 | 0 | 0 | 0 | | | | |

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TO: GOVERNANCE AND AUDIT COMMITTEE
27 MARCH 2012

REVISIONS TO CONTRACT STANDING ORDERS TO GIVE EFFECT TO CATEGORY MANAGEMENT

Director of Corporate Services (Legal)

1 PURPOSE OF REPORT

- 1.1 To seek the committee's approval to changes to the Council's Contract Standing Orders.

2 RECOMMENDATION

- 2.1 **That the revisions to Contract Standing Orders highlighted in the attachment to this report are approved and that the Council is recommended to adopt the revisions as amendments to the Council's Constitution**

3 REASONS FOR RECOMMENDATION

- 3.1 To give effect to the introduction of category management in the procurement of works, supplies and services, to improve the strategic management of procurement, improve the efficiency and effectiveness of the procurement process, and to reduce the risk of breach of the Public Contracts Regulations through a failure to aggregate the value of supplies and services when required to do so.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 None.

5 SUPPORTING INFORMATION

- 5.1 Following a review of the Council's procurement process carried out by Improvement and Efficiency South East in 2010 and 2011, Corporate Management Team took steps to implement a recommendation made that Category Management should be introduced in order to seek a more strategic approach to procurement and to achieve efficiencies and value for money from increased coordination and the aggregation of requirements across the Council. Category management takes a strategic approach to procurement, seeking to aggregate requirements corporately, and thereby achieve greater value for money. Category managers have been appointed with responsibility for the preparation of strategies relevant to their category of expenditure. The categories chosen as pilots largely cut across the existing departmental organisation, and category managers have mostly (but not exclusively) been chosen from the area which has the highest expenditure on the category.
- 5.2 The proposed changes to Contract Standing Orders define a Category Strategy and a Category Manager, and require a Category Manager to obtain Executive approval for a Category Strategy for a defined category of works, goods or services. Directors are required to assist and support Category Managers in the preparation of Category Strategies, and to comply with approved Category Strategies. Category Managers

will be required to add comments to contract award reports for contracts within the category which they manage.

- 5.3 A Category Strategy will identify responsibility for contract awards for contracts of up to £1 million that are in compliance with the strategy; absent such identification, the Director to whom the Category Manager usually reports will have responsibility for making the decision. Corporate Contracts which are not within a Category Strategy shall be the responsibility of the Director of Corporate Services.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The Borough Solicitor is the author of this report.

Borough Treasurer

- 6.2 The adoption of category management should produce efficiencies and cost savings in the future as a result of a more strategic approach to procurement.

Equalities Impact Assessment

- 6.3 There are no equalities questions arising from the matters discussed in this report.

7 CONSULTATION

Principal Groups Consulted

- 7.1 The Head of Procurement and the Borough Treasurer have been consulted

Method of Consultation

- 7.2 In meetings and correspondence

Representations Received

- 7.3 None

Background Papers

Contact for further information

Simon Heard, Legal Services Department - 01344 353107
Simon.heard@bracknell-forest.gov.uk

CONTRACT STANDING ORDERS – 2012

These Contract Standing Orders are made under section 135 of the Local Government Act 1972.

Guidance regarding the use of these Standing Orders and further explanation as to how they operate can be found in the Procurement Manual.

DEFINITIONS

In these Standing Orders, the following expressions have the following meanings:

| | |
|----------------------------|---|
| "Category Manager" | The officer of the Council to whom the Corporate Management Team has allocated responsibility for the delivery and management of a Category Strategy for a defined category of works, goods or services |
| "Category Strategy" | The written strategy for a defined Category, which has been formally approved by the Executive in accordance with these Standing Orders. |
| "Corporate Contract" | A contract relating to the procurement of supplies, works or services that has been tendered and managed by the Council |
| "Corporate Finance System" | Agresso or its replacement |
| "Director" | The Chief Executive or the most senior officer in a department of the Council or the Governing Body of a school with delegated responsibilities under the Local Management of Schools Regulations |
| "Executive Member" | Means the Member of the Executive |

| | |
|---------------------------------|--|
| | with responsibility for the service for which a procurement is being carried out |
| “Executive” | Means a meeting to which the Leader and all those Members that are serving as Executive Members have been invited, or in the case of non-executive functions references to “the Executive” are deemed to be references to the Council or the committee or sub-committee to which the Council has delegated responsibility for that function |
| “Framework Agreement” | Means an agreement or other arrangement between one or more contracting authorities and one or more suppliers which establishes the terms (in particular as to price and, where appropriate, quantity) under which suppliers will enter into one or more contracts with the Council in the period during which the framework agreement applies |
| “Grant” | Means a grant as defined and described in paragraph 2.4 of these Contract Standing Orders |
| “Non Commercial Considerations” | <ol style="list-style-type: none">1. whether contractors employ self-employed individuals,2. any involvement of the business activities or interests of the contractor with irrelevant fields of Government policy,3. the conduct of the contractor in industrial disputes, |

4. the country of origin or location of suppliers,
5. any political, industrial or sectarian interest of the contractor,
6. financial support or lack of financial support by the contractor for any institution,
7. use or non use by a contractor of technical or professional services provided by the Council under the Building Act 1984.

| | |
|-----------------------------------|--|
| “Procurement Plan“ | Means the Procurement Plan available from the Procurement pages on the Council’s intranet |
| “Procurement Manual” | The manual containing guidance and mandatory rules on the procurement of all supplies services and works and any further matters referred to in these Contract Standing Orders |
| “Public Contracts Regulations” | The Public Contracts Regulations 2006 (SI 2006 No 5) as amended |
| “Responsible Officer” | The Director or a person to whom the Director has given clear written delegated responsibility to exercise a function which these Contract Standing Orders identify may be performed by a Responsible Officer to the extent of such delegation |
| “Supplies and Services Threshold” | £173,934 or any different figure that may be substituted by Statutory instrument from time to time |
| “Total Contract Value” | The whole of the estimated value net |

| | |
|-------------------|--|
| | of value added tax which the Council expects to give under the contract, calculated according to the valuation rules set out in the Procurement Manual |
| “Threshold” | Means the Supplies and Services Threshold or the Works Threshold as the case may be |
| “Works Threshold” | £4,348,350 or any different figure that may be substituted by statutory instrument from time to time |

1. Introduction and application of Standing Orders

These Contract Standing Orders set out the framework for the procurement of supplies, works and services. They are an essential set of rules and compliance with them will ensure that officers both seek and obtain good value for money and that public money is properly spent and accounted for. **These Standing Orders apply to all contracts for the procurement of supplies, the provision of services (including adults and children’s care services) or the execution of works by the Council or on its behalf.**

- 1.1 In any procurement where quotations or tenders are required no matter what the value may be, officers must always apply procedures that allow a fair and non-discriminatory competitive process, and equal treatment of all potential suppliers and contractors.
- 1.2 Contracts must not be artificially split to avoid the application of the key thresholds contained in these Standing Orders.
- 1.3 Officers dealing with the procurement of standard or repetitive supplies and services should always consider the use of Framework Agreements and

corporate contracts and should seek guidance from the Head of Procurement or from the Borough Solicitor.

1.4 These Contract Standing Orders do not apply to the following:

- A contract for service for the employment of staff by the Council
- The engagement of Counsel
- The acquisition disposal or transfer of land or an interest in land and property
- Hire of premises
- Grants made by the Council
- Direct payments to individuals for social care services or services brokered on behalf of individuals in receipt of an individual budget.

2. Roles and responsibilities

2.1 Directors are responsible for ensuring that chief officers and all staff with procurement responsibilities within their directorates fully understand and comply with these Standing Orders.

2.2 Directors are responsible for all purchase orders and contracts tendered and let by their directorates, are accountable to the Executive for the performance of their duties in relation to contract letting and management and must ensure that all council officers comply with these Standing Orders. The duties set out in paragraph 2.3 also apply to a Responsible Officer (except for paragraphs 2.3.5, and paragraphs 2.3.13 to .15 which are duties to be complied with by a Director personally)

2.3 Their duties are as follows:

2.3.1 To seek and obtain value for money and secure continuous improvement in all procurements.

- 2.3.2 To ensure no contract is entered into by their Directorate without there being adequate and agreed budget provision.
- 2.3.3 To ensure compliance with all applicable UK and EU legislation, seeking advice from the Borough Solicitor or the Head of Procurement at an early stage in the process whenever appropriate.
- 2.3.4 To ensure that Non Commercial Considerations do not influence any decision to seek quotations or tenders or to enter into any contract.
- 2.3.5 To ensure all staff (including any agents or consultants acting on their behalf) dealing with procurement for their directorate are fully aware of and comply with these Standing Orders and those parts of the Procurement Manual which are stated therein as compulsory in accordance with these Standing Orders and to arrange adequate training on their operation.
- 2.3.6 To declare to the council any pecuniary interest whether direct or indirect they personally have in any contract to be let, and to make that declaration in writing to the Borough Solicitor.
- 2.3.7 In the event of any breach of these Standing Orders to take immediate action and report it to the Borough Solicitor and/or the Borough Treasurer.
- 2.3.8 To ensure every contract over £100,000 has a named officer with responsibility for it.
- 2.3.9 To keep securely proper records of all purchase orders, signed contracts and copies of all relevant documentation so as to provide a full audit trail of actions taken.
- 2.3.10 To comply with the Council's arrangements for the obtaining and opening of quotations and tenders as set out in the Procurement Manual.

- 2.3.11 To ensure that the council's seal is affixed to any contract with a total contract value of £400,000 or more and to ensure that all other contracts are signed by a Director or by a person authorised under delegated powers to act on his or her behalf or placed through the Corporate Finance System.
 - 2.3.12 To keep a record of any waivers of these Standing Orders.
 - 2.3.13 To keep a written record of any delegations they make of their powers under these Standing Orders and ensure these are published on the Council's Intranet.
 - 2.3.14 To ensure that records are kept in a manner that ensures reviews of contracts are undertaken in good time ideally at least one year in advance of termination dates and that appropriate action is taken.
 - 2.3.15 To make arrangements for the publication of tenders and of contracts awarded as the Council may require from time to time.
 - 2.3.16 To assist and support Category Managers in the preparation of Category Strategies and to comply with the provisions of Category Strategies approved by the Executive in accordance with these Contract Standing Orders
 - 2.3.17 To ensure that all reports recommending the award of a contract for the procurement of works, supplies or services within a category, which are the subject of an approved Category Strategy, contain the comments of the relevant Category Manager.
- 2.4 These Standing Orders do not apply to grants awarded by the Council. A grant is an arrangement where money is given for the benefit of all or for a section of the local community for a stated purpose other than for the procurement of services whether the services are to be given to the council or to third parties. An arrangement where payments are made to secure the

provision of services whether to the Council or to some third party is a contract for services to which these Contract Standing Orders apply.

3. Consultation and approvals prior to advertising a procurement

3.1 Officers must take advice from the Head of Procurement or the Borough Solicitor on the relevance of the Public Contract Regulations for any procurement where the Total Contract Value is estimated to be more than £100,000.

3.2 When it can reasonably be anticipated that the Total Contract Value might exceed £100,000 the Director must ensure that an estimate of the anticipated Total Contract Value is prepared and recorded in writing. The estimate should not be more than twelve months old when tenders or quotations are invited and is to be exclusive of Value Added Tax.

3.3 For all procurements of supplies and services with an estimated Total Contract Value in excess of £100,000, a Procurement Plan in the form set out in the Procurement Manual and incorporating comments from the Borough Treasurer, Borough Solicitor and Head of Procurement, must be prepared for the approval of the Director and, if appropriate the Executive Member (see Appendix 1). In all cases the Procurement Plan must be approved before the contract is advertised in accordance with paragraph 4.4 below.

4. Obtaining quotations and tenders

4.1 (a) Subject to paragraph 4.1(b) below, where any procurement of supplies or services has an estimated Total Contract Value of less than the Supplies and Services Threshold, the required number of quotations or tenders must be sought in accordance with the financial limits and procedures set out in Appendix 1. Where the estimated Total Contract Value of any procurement of supplies or services is for more than £100,000, invitations to tender must be issued in accordance with the procedures set out below and in the Procurement Manual.

(b) Procurements of residential care placements, care and or support provided in the person's home or for the special educational or other needs of younger people (including fostering) shall be carried out in accordance with procedures authorised by the relevant Director in consultation with the Executive Member with the advice of the Borough Treasurer, the Borough Solicitor and the Head of Procurement and published in the Procurement Manual

4.2 Where any works contract is to be let the required number of quotations or tenders must be sought in accordance with the financial limits and procedures set out in Appendix 2.

4.3 The Responsible Officer must ensure that the selection of suppliers from whom tenders or quotations are sought is carried out openly, fairly and transparently. The requirements for advertising, which are made to ensure compliance with legal requirements for transparency and freedom from discrimination, are set out in Appendix 1 and Appendix 2 and must always be followed.

5. Contract documentation and standard contract conditions

5.1 The provisions of any Statute, Regulation, Treaty or Directive of the European Union take precedence over anything said in these Standing Orders, and all contracts entered into by the Council must comply with all of those requirements.

5.2 The Council's standard conditions of contract shall always be employed unless,

(1)

(a) Leasing arrangements are involved, or

(b) the requirement is particularly complex and the use of the standard conditions is inappropriate

AND in each such case the formal advice of the Borough Solicitor has been given, or

- (2) the supplier requires the Council to contract on terms supplied by it, and the total value is no more than £35,000.

In all cases where the Total Contract Value is expected to exceed the Threshold, the advice of the Borough Solicitor must be sought on any appropriate additions to the Council's standard terms.

6. Approval and acceptance of quotations and tenders

- 6.1 All requests for quotations and tenders for works, services or supplies must be carried out according to the procedures set out in the Procurement Manual .
- 6.2 The evaluation of written quotations and tenders and any pre-qualification of bidders must be carried out according to the procedures set out in the Procurement Manual, clearly documented and, if above the Threshold, advice must be sought from the Head of Procurement.
- 6.3 Where the estimated Total Contract Value is more than £100,000 and only one tender is received the Director must take advice from the Head of Procurement and the Borough Solicitor on the appropriate action.
- 6.4 The Responsible Officer may accept a tender or quotation for **works, supplies** or **services** where the Total Contract Value is not more than £400,000. Where the tender is above £100,000, a report should be submitted by officers to the Director, but if a Director has not delegated power to a Responsible Officer to accept a quotation the Director must prepare a report on the acceptance of the tender or quotation and keep it available for auditing.
- 6.5 The Director shall not accept tenders for supplies, services or works where the Total Contract Value is more than £400,000 and less than £1,000,000 without securing the written agreement of the Executive Member.

- 6.6 For all contracts where the Total Contract Value is greater than £1,000,000, acceptance of the tender must be approved by the Executive upon a report by the Director.
- 6.7 Where the Director wishes to accept a tender other than the lowest acceptable tender, full supporting documentation must be kept to evidence why the lowest acceptable tender was not accepted. If the tender is one to which paragraphs 6.5 or 6.6 applies, the Director shall report the values of all tenders received and the reasons for selecting the preferred tender.
- 6.8 All contracts entered into by the Council shall be completed (subject to delegated financial limits) in accordance with the following requirements.

| Total Value | Method of Completion | Signed By |
|---|---|---|
| Up to and including £5,000 | Council's official written order | Responsible Officer |
| £5,000 to £100,000 | Acceptance Letter or Council's official order | Responsible Officer |
| £100,000 – Threshold (currently £173,934) | Signed contract | Responsible Officer |
| Threshold - £400,000 | Signed Contract or Deed as advised by the Borough Solicitor | Responsible Officer or in accordance with the requirements for sealing of contracts |
| Over £400,000 | Execution under seal | Borough Solicitor and Mayor |

- 6.9 All contracts must be signed or sealed before the supply, service or construction work begins.

7. Waiver of Contract Standing Orders

7.1 If there are special circumstances to waive or suspend any section or sections of Contract Standing Orders, the following approvals must be obtained depending on contract value:

1. for all contracts up to **and including** £35,000, the Director may approve.
2. for contracts in excess of £35,000 but **up to and including contracts for** £400,000 the Borough Solicitor and the Chief Executive (taking advice from the Head of Procurement) may approve.
3. for contracts over £400,000 a report must be made to the Executive, incorporating advice from the Head of Procurement, for approval save that where the Borough Solicitor and Chief Executive have confirmed that there is genuine urgency and it is not possible to obtain approval from the Executive in time, the Leader may approve, but shall report his decision to the next meeting of the Executive for information

7.2 The standard Waiver form is to be used and the approval must be retained by the Director.

7.3 The Director must ensure that a record of all cases where Contract Standing Orders have been waived is sent to the Head of Procurement, including those authorised under the Director's own delegated powers, recording the reasons for waiver and the approvals obtained. The Head of Procurement shall maintain a full record, sequentially numbered, of all Waivers granted.

8. Contract extensions

8.1 Where a contract, which was not required to be advertised by the Public Contracts Regulations or any preceding Regulations, does not have any provision for an extension, one extension, where similar terms and conditions will apply, may be agreed for a maximum period of one year, but the written approval of the Director, who must consult with the Borough Solicitor and the Treasurer, must be given.

- 8.2 Where a contract does provide for an extension, the extension may be implemented, subject to the prior written approval of the Director being given.
- 8.3 If a contract has already been extended under a provision for extension it contains, it may not be extended further under 8.1 above.
- 8.4 If a contract has been extended in accordance with 8.1 or 8.2 above any further request for an extension must be approved by the Executive Member on a written report.

Contract variations

- 8.5 A contract variation can be only be approved where the proposed variation does not materially alter the terms of the contract. Guidance on what constitutes a material alteration is given in the Procurement manual. The Director must obtain advice from the Borough Solicitor before proceeding to agree to a variation and must ensure there is an adequate budget for the variation.

9. Framework Agreements

- 9.1 Framework Agreements let by other contracting authorities may only be used in accordance with the requirements set out in the Procurement Manual.

10 Category Management

- 10.1 The Council has adopted the principles of category management in order to provide a more strategic approach to procurement and to help increase efficiencies and value for money through better coordination and aggregation of requirements across the Council.

- 10.2 A Category Manager shall be responsible for the preparation of a Category Strategy for the commissioning and procurement of any works, supplies or services relevant to the category in consultation with any Director who holds a budget that will be affected by the Category Strategy.

10.3 A Category Strategy shall identify responsibility for contract awards for contracts of up to £1 million that are in compliance with the strategy, but if no responsibility for such contract award is allocated, the Director to whom the Category Manager usually reports shall be responsible for making the decision. Corporate Contracts which are not within a Category Strategy shall be the responsibility of the Director of Corporate Services.

TO: GOVERNANCE AND AUDIT COMMITTEE
27 MARCH 2012

ANNUAL GOVERNANCE STATEMENT PREPARATION
Director of Corporate Services – Legal

1 PURPOSE OF DECISION

- 1.1 This report seeks the nomination of a Member to attend the meeting of the Governance Working Group which formulates the Annual Governance Statement and the AGS Action Plan.

2 RECOMMENDATION

- 2.1 The Committee is invited to nominate a Member to attend the meeting of the Governance Working Group which formulates the Annual Governance Statement and resulting Action Plan, for submission to the Committee.**

3 REASONS FOR RECOMMENDATION

- 3.1 Member input has been valuable in previous years and accordingly the Committee is requested to nominate a Member to assist in this year's preparation of the AGS.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 None.

5 SUPPORTING INFORMATION

- 5.1 The CIPFA/SOLACE guidance on Governance for Local Authorities which constitutes best practice for the Accounts and Audit Regulations requires the production of an Annual Governance Statement (AGS); a review of the effectiveness of the Council's systems of internal control. The review of the Council's governing arrangements in the Annual Governance Statement leads to the formulation of an Action Plan to address any weaknesses identified.
- 5.2 For the past two years a Member of the Committee (Councillor Thompson in both years) has been nominated to attend the meeting of the officer governance working Group which prepares the draft AGS and Action Plan. Member input has been found to be very helpful and accordingly the Committee is requested to nominate a Member to assist in this year's preparation of the AGS.
- 5.3 Member input proved to be beneficial to the process and accordingly it is proposed that the arrangements be repeated for the preparation of this year's AGS.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 Co-author of this report.

Borough Treasurer

6.2 There are no financial implications directly arising.

Equalities Impact Assessment

6.3 Not applicable

Strategic Risk Management Issues

6.4 None.

Other Officers

6.5 None.

7 CONSULTATION

None.

Background Papers

None.

Contact for Further Information

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Doc Ref

IKEN 021678

TO: GOVERNANCE AND AUDIT COMMITTEE
27 MARCH 2012

AMENDMENTS TO THE SCHEME OF DELEGATION Director of Corporate Services – Legal

1 PURPOSE OF REPORT

- 1.1 This report seeks approval to two sets of amendments to the Scheme of Delegation to Officers contained in the Council's Constitution, which amendments are required in response to recent legislation.

2 RECOMMENDATIONS

- 2.1 **That Council be recommended to amend the Council's Scheme of Delegation to officers as proposed in Paragraphs 5.3 and 5.10 of this report.**

3 REASONS FOR RECOMMENDATIONS

- 3.1 The proposed amendments to the delegations to the Director of Environment Culture and Communities is proposed in order to ensure the effective discharge of the Council's functions under the Flood and Water Management Act 2010 ("the 2010 Act").
- 3.2 The proposed amendments to the delegations of the Chief Officer: Planning and Transport are proposed to allow the Council to effectively determine applications under Sections 73 and 96A of the Town & Country Planning Act 1990.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Not to make the proposed amendments. However, failure to amend the Scheme of Delegation as proposed would mean that:-
- (a) the Council would not be able to properly discharge its functions under the 2010 Act, and
 - (b) the delegations to the Chief Officer: Planning and Highways do not reflect current legislation.

5 SUPPORTING INFORMATION

Delegation to the Director of Environment, Culture and Communities

- 5.1 The 2010 Act is a complex piece of legislation and it is being brought into force in stages. Under the Act the Environment Agency has a strategic, national role whilst Unitary and County Councils are given a new leadership role in local flood risk management. The major functions of the Council under the 2010 Act will be:-
- developing and overseeing the implementation of a Local Flood Risk Management Strategy

Unrestricted

- investigating incidents of flooding
- producing and maintaining a register of all structures or features which are likely to have a significant effect on flood risk
- determining applications for approval for Sustainable Drainage Systems and consents for works to ordinary water courses.

The process for determining applications for approvals and consents will be more akin to the existing regime relating to Building Control rather than to applications for Planning Permission i.e. it will be an entirely technical assessment.

5.2 Clearly, most of the functions under the 2010 Act will be more appropriately discharged by officers rather than by Members. However, it is proposed that approval of the Local Flood Risk Management Strategy should be reserved for Members. The strategy must specify the following:-

- the risk management authorities in the Borough
- the flood risk management functions that may be exercised by those authorities in relation to the Borough
- the objectives for managing local flood risk
- the measures proposed to achieve those objectives
- how and when the measures are expected to be implemented
- the costs and benefits of the measures, and how they are to be paid for
- how the strategy contributes to the achievement of wider environmental objectives

5.3 The delegations to the Director of Environment Culture and Communities currently include functions "Relating to drainage (including Land Drainage)". It is proposed that this should be amended to "Relating to flooding and drainage (including Land Drainage and functions under the Flood and Water Management Act 2010)" but that the exceptions to delegated powers should now include "Approval of the Local Flood Risk Management Strategy".

Delegation to the Chief Officer: Planning and Transport

5.4 The delegations to the Chief Officer provide that the following are **not** delegated to officers:-

- applications which any single Member expressly requests should be determined by the Planning Committee
- applications attracting valid planning objections from three or more households and/or organisations

It is **not** proposed that those exceptions to the delegated authority of the Chief Officer should be amended.

- 5.5 The delegations also currently contain the following exceptions to the power of the Chief Officer to determine applications:-
- (a) “authority to relax, delete or vary conditions attached to permissions and consents is limited to where the permission or consent was given under delegated powers, and
 - (b) “authority to minor variations and alterations for (sic) plans shall be determined in accordance with Minute 100 of the Development Committee of 29 May 1992”. A copy of the relevant minute is shown as Annexe A to this report.
- 5.6 As may be gathered from exception (b) referred to in paragraph 5.5, the two exceptions are of some considerable antiquity. They no longer reflect the legislative scheme for Town and Country Planning (it is questionable whether they ever did so).
- 5.7 As to exception (a) in paragraph 5.5, Section 97 of the Town and Country Planning Act 1990 does contain a power to “modify” a planning permission. However, exercise of that power attracts a right to claim compensation and it is very doubtful that exception (a) was ever intended to apply to a Section 97 Modification Order. Section 73 of the Act allows for an application for planning permission to develop land without compliance with conditions attached to a previous planning permission. However, a Section 73 permission is a separate planning permission (which is determined in the normal way for planning applications and hence the exceptions to delegated authority referred to in paragraph 5.4 can apply) and does not “relax, delete or vary conditions” attached to any earlier permission. Recent case law has thrown into doubt the legality of Local Planning Authorities approving minor alterations to plans for approved developments other than by way of an application for a further planning permission. As a consequence, the Planning Act 2008 inserted (with effect from October 2009) a new Section 96A into the 1990 Act. Section 96A **does** allow a local planning authority to make a change to a planning permission if the change is “not material”. In particular, Section 96A **does** allow for minor amendments to or deletions of conditions and can permit minor amendments to plans. Any minor non-material variation should now be made using the Section 96A process which requires an application (to which the exceptions to deal with under delegated authority related to in paragraph 5.4 could be invoked).
- 5.8 At the same time as the government issued guidance on the use of Section 96A power to make non-material amendments it also issued guidance on how to make “minor material amendments”. However, the process proposed involves making a Section 73 application which, as alluded to above is an application for a separate planning permission.
- 5.9 Clearly, the two existing restrictions on officers amending planning conditions/plans referred to in paragraph 5.5 above arose from a concern that officers should not have carte blanche to make decisions which might undermine the substance of a decision taken by committee. Given that Section 96A now provides for a separate application for non-material amendments and a Section 73 permission also requires a new application the rationale for those existing limitations is effectively negated. If any Member has a concern about any application for a non-material alteration (under

Section 96A) they may require the matter to go to Committee by virtue of the exception to delegated authority set out in paragraph 5.4. In order to avoid any doubt the delegated authority to the Chief Officer could stipulate that no alterations to a planning permission or to approved plans should be made other than pursuant to an application to that effect.

- 5.10 It is therefore proposed that the Scheme of Delegation be amended by:-
- (a) deleting the two exceptions referred to in paragraph 5.5 above, and
 - (b) providing that decisions to modify a planning permission under Section 97 of the 1990 Act is not delegated, and
 - (c) providing that no non-material amendments to a planning permission or approved plans should be approved other than pursuant to an application under Section 96A of the 1990 Act.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The Borough Solicitor is the author of this report.

Borough Treasurer

- 6.2 There are no financial implications directly arising.

Equalities Impact Assessment

- 6.3 Not relevant.

Strategic Risk Management Issues

- 6.4 Not relevant.

Other Officers

- 6.5 None.

7 CONSULTATION

Principal Groups Consulted

- 7.1 None.

Method of Consultation

- 7.2 None.

Representations Received

- 7.3 None.

Background Papers

None.

Contact for Further Information

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Doc Ref

Aj/f/reports/Governance and Audit Committee – Scheme of Delegation Amendment
2012

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100 **Planning Applications - Amended Plans Procedure (Item 3)**

The Committee considered proposals to change the existing amended plans procedure which occurred when an applicant sought approval for minor modifications to approved plans. The proposals would entail the delegation of a measure of decision making to the Borough Planning Officer and it was

RESOLVED that

- (i) the Borough Planning Officer be authorised to
 - (a) determine whether a proposed amendment to a planning application is of a minor nature;
 - (b) determine (in accordance with paragraph 3.1 of the report) whether normal consultation procedures are appropriate in respect of any particular proposed amendment;
 - (c) implement the said consultation procedures where determined to be appropriate under (b) above;
- (ii) in the event that no objections are raised to minor amendments following consultation as above, when appropriate, the Borough Planning Officer be authorised to determine the matter under delegated powers;
- (iii) if objections are received the minor amendment be referred to Development Committee for decision;
- (iv) that paragraph 3 of the Authorisation of Officers for Development Committee be amended to read

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**TO: GOVERNANCE AND AUDIT COMMITTEE
27 MARCH 2012**

PROPOSED ABOLITION OF THE PETITION SCHEME Director of Corporate Services – Legal

1 PURPOSE OF REPORT

- 1.1 The Local Democracy, Economic Development and Construction Act 2009 (“the 2009 Act”) required local authorities to adopt a “Petition Scheme” in accordance with complex provisions set out in that Act. With effect from 1 April 2012 the Localism Act will repeal those provisions. This report proposes that the Petition Scheme put in place pursuant to the 2009 Act be rescinded.

2 RECOMMENDATION

2.1 That the Committee recommend to Council that:

- (a) The Council’s Petition Scheme set out in the Annexe to the Council’s Procedure Rules be rescinded, and**
- (b) That the scheme for Public Participation at Meetings of the Council be amended to include provisions for petitions as included in the scheme prior to the Local Democracy, Economic Development and Construction Act 2009.**

3 REASONS FOR RECOMMENDATION

- 3.1 To revert to the simpler provision for petitions to the Council which were in place before the implementation of the provisions of the 2009 Act relating to Petition Schemes.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 To retain the Petition Scheme put in place to secure compliance with the 2009 Act. However, that scheme is considered to be excessively bureaucratic and does not afford the flexibility which the Scheme of Public Participation previously allowed for.

5 SUPPORTING INFORMATION

- 5.1 Attached as Annexe A to this report is the Scheme for Public Participation which existed prior to the commencement of that part of the 2009 Act which related to “Petition Schemes”. The scheme includes provision for petitions to be presented to the Council. There was no minimum number of signatures required. The scheme operated satisfactorily.
- 5.2 The 2009 Act contained detailed, prescriptive requirements, requiring each Council to have a Petition Scheme. The Council’s current Petition Scheme is set out as Annexe B. It contains provisions (in compliance with the 2009 Act) requiring petitions to be debated at full Council if more than 1,500 signatures are received or, if at least 750 signatures are secured, requiring a senior

officer to give evidence before the Overview and Scrutiny Commission or one of its Panels. Those provisions have never been invoked since the new scheme came into effect.

- 5.3 The Localism Act will repeal the provisions of the 2009 Act with effect from 1 April 2012. From that date the Council will be able to revert to its simpler, more flexible scheme.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The Borough Solicitor is the author of this report.

Borough Treasurer

- 6.2 To be provided.

Equalities Impact Assessment

- 6.3 Not relevant.

Strategic Risk Management Issues

- 6.4 Not relevant.

Other Officers

- 6.5 None.

7 CONSULTATION

Principal Groups Consulted

- 7.1 None.

Method of Consultation

- 7.2 None.

Representations Received

None.

Background Papers

None.

Contact for Further Information

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Doc. Ref

Aj/f/reports/governance and audit committee – Petition Scheme 2012

Petition Scheme

The Council welcomes petitions and recognises that petitions are one way in which people can let us know their concerns. This Petition Scheme applies to petitions which have been signed by twenty or more persons residing, working or studying in the Borough. All such petitions sent or presented to the Council will receive an acknowledgement from the Council within 10 working days of receipt. This acknowledgement will set out what we plan to do with the petition. We will treat something as a petition if it is identified as being a petition, or if it seems to us that it is intended to be a petition.

Paper petitions should be sent to:

**Head of Democratic and Registration Services
Easthampstead House
Town Square
Bracknell
RG12 1AQ**

What are the guidelines for submitting a petition?

Petitions submitted to the Council must include:

- a clear and concise statement covering the subject of the petition. It should state what action the petitioners wish the Council to take
- the name and address and signature of any person supporting the petition.

Petitions should be accompanied by contact details, including an address, for the petition organiser. This is the person we will contact to explain how we will respond to the petition. The contact details of the petition organiser will not be placed on the website. If the petition does not identify a petition organiser, we will contact signatories to the petition to agree who should act as the petition organiser.

Petitions which are considered to be vexatious, abusive or otherwise inappropriate will not be accepted.

In the period immediately before an election or referendum we may need to deal with your petition differently – if this is the case we will explain the reasons and discuss the revised timescale which will apply.

If a petition does not follow the guidelines set out above, the Council may decide not to do anything further with it. In that case, we will write to you to explain the reasons.

What will the Council do when it receives my petition?

An acknowledgement will be sent to the petition organiser within 10 working days of receiving the petition. It will let them know what we plan to do with the petition and when they can expect to hear from us again. It will also be published on our website.

If we can do what your petition asks for, the acknowledgement may confirm that we have taken the action requested and the petition will be closed. If the petition has enough signatures to trigger a Council debate, or a senior officer giving evidence, then the acknowledgment will confirm this and tell you when and where the meeting will take place. If the petition needs more investigation, we will tell you the steps we plan to take.

If the petition applies to a planning or licensing application, is a statutory petition (for example requesting a referendum on having an elected mayor), or on a matter where there is already an existing right of appeal, such as Council tax banding and non-domestic rates, other procedures apply.

We will not take action on any petition which we consider to be vexatious, abusive or otherwise inappropriate and will explain the reasons for this in our acknowledgement of the petition.

To ensure that people know what we are doing in response to the petitions we receive the details of all the petitions submitted to us will be published on our website, except in cases where this would be inappropriate. Whenever possible we will also publish all correspondence relating to the petition (all personal details will be removed).

How will the Council respond to petitions?

Our response to a petition will depend on what a petition asks for and how many people have signed it, but may include one or more of the following:

- taking the action requested in the petition
- considering the petition at a Council meeting
- holding an inquiry into the matter
- undertaking research into the matter
- holding a public meeting
- holding a consultation
- holding a meeting with petitioners
- referring the petition for consideration by the Overview and Scrutiny Commission or one of the Council's Overview and Scrutiny Panels
- calling a referendum
- writing to the petition organiser setting out our views about the request in the petition

The Overview and Scrutiny Commission and its Panels are committees of Councillors who are responsible for scrutinising the work of the Council – in other words, they have the power to hold the Council's decision makers to account.

In addition to these steps, the Council will consider all the specific actions it can potentially take on the issues highlighted in a petition. The table below gives some examples.

| Petition subject | Appropriate steps |
|------------------------------------|---|
| Alcohol related crime and disorder | <p>If your petition is about crime or disorder linked to alcohol consumption, the Council will, among other measures, consider the case for placing restrictions on public drinking in the area by establishing a designated public place order or, as a last resort, imposing an alcohol disorder zone. When an alcohol disorder zone is established the licensed premises in the area where alcohol related trouble is being caused are required to contribute to the costs of extra policing in that area. The Council's response to your petition will set out the steps we intend to take and the reasons for taking this approach.</p> |
| Anti-social behaviour (ASB) | <p>The Council plays a significant role to play in tackling anti-social behaviour. The Council, in conjunction with our partners in the local crime and disorder partnership have set out minimum service standards for responding to issues of anti-social behaviour.</p> <p>When responding to petitions on ASB, we will consider in consultation with our local partners, all the options available to us including the wide range of powers and mechanisms we have to intervene as part of our role as a licensing authority. For example, we will work with the neighbourhood policing team in the affected area to identify what action might be taken including what role CCTV might play, consider identifying a dedicated contact within the Council to liaise with the community and neighbourhood partners on issues of ASB in the area in question and, where appropriate, we will alert the crime and disorder reduction partnership and the Overview and Scrutiny Commission to the issues highlighted in the petition.</p> |

| Petition subject | Appropriate steps |
|----------------------------------|---|
| Under-performing schools | We will consider, in consultation with local partners, all the options available to us when working with schools to secure their improvement. For example, on our behalf, the school improvement partner will play a pivotal role, challenging and brokering support for poorly performing schools. Where a school is under performing we will consider whether it is appropriate in the circumstances to issue a warning notice outlining expectations and a timeframe for the school to improve its performance standards. Other measures available to us, where schools fail to comply with a warning notice or are in an Ofsted category of notice to improve (requiring significant improvement) or special measures include; appointing additional governors, establishing an interim Executive board, removal of the school's delegated budgets, requiring the school to enter into a formal contract or partnership or, only if the school is in special measures, closure. |
| Under-performing health services | We will work with local health partners to consider the matter raised in the petition including, where appropriate, exploring what role the Local Involvement Network (LINK) might have in reviewing and feeding back on the issue (the LINK is run by local individuals and community groups and independently supported – their role to find out what people want in terms of local health services, monitor those services and to use their powers to hold them to account). The Health Overview and Scrutiny Panel will also be alerted to the petition and where the matter is sufficiently or potentially serious, the issue will be referred to them to consider for review. |

If your petition is about something over which the Council has no direct control (for example the local railway or hospital) we will consider making representations on behalf of the community to the relevant body. The Council works with a large number of local partners and where possible will work with these partners to respond to your petition. If we are not able to do this for any reason (for example if what the petition calls for conflicts with Council policy), then we will set out the reasons for this to you. You can find more information on the services for which the Council is responsible here (<http://www.bracknell-forest.gov.uk/your-Council/yc-freedom-of-information/yc-publication-scheme/yc-services-provided-by-the-Council.htm>).

If your petition is about something that a different Council is responsible for we will give consideration to what the best method is for responding to it. This might consist of simply forwarding the petition to the other Council, but could involve other steps. In any event we will always notify you of the action we have taken.

Full Council debates

If a petition contains more than 1,500 signatures it will be debated by the full Council unless it is a petition asking for a senior Council officer to give evidence at a public meeting. This means that the issue raised in the petition will be discussed at a meeting which all Councillors can attend. The Council will endeavour to consider the petition at its next meeting, although on some occasions this may not be possible and consideration will then take place at the following meeting.

The petition organiser will be given three minutes to present the petition at the meeting and the petition will then be discussed by Councillors for a maximum of 15 minutes. This is subject to a total maximum of one hour being spent in the consideration of petitions. A petition which cannot be dealt with within that hour may stand referred to the next meeting of the Council.

The Council will decide how to respond to the petition at this meeting. They may decide to take the action the petition requests, not to take the action requested for reasons put forward in the debate, or to commission further investigation into the matter, for example by a relevant committee. Where the issue is one on which the Council's Executive is required to make the final decision, the Council will decide whether to make recommendations to inform that decision. The petition organiser will receive written confirmation of this decision. This confirmation will also be published on our website.

Officer evidence

Your petition may ask for a senior Council officer to give evidence at a public meeting about something for which the officer is responsible as part of their job. For example, your petition may ask a senior Council officer to explain progress on an issue, or to explain the advice given to elected members to enable them to make a particular decision.

If your petition contains at least 750 signatures, the relevant senior officer will give evidence at a public meeting of the Council's Overview and Scrutiny Commission or one of its Panels. The Chief Executive, Directors and Chief Officers can be called to give evidence. You should be aware that the Overview and Scrutiny Commission or Panel may decide that it would be more appropriate for another officer to give evidence instead of any officer named in the petition – for instance if the named officer has changed jobs. The Commission or Panel may also decide to call the relevant Councillor to attend the meeting. Members will ask the questions at this meeting, but you will be able to suggest questions to the chairman of the Commission or Panel by contacting the Head of Democratic and Registration Services up to three working days before the meeting.

What can I do if I feel my petition has not been dealt with properly?

If you feel that we have not dealt with your petition properly, the petition organiser has the right to request that the Overview and Scrutiny Commission or one of its Panels reviews the steps that the Council has taken in response to your petition. It is helpful to everyone, and can improve the prospects for a review if the petition organiser gives a short explanation of the reasons why the Council's response is not considered to be adequate.

The Commission or Panel will endeavour to consider your request at its next meeting, although on some occasions this may not be possible and consideration will take place at the following meeting. Should the Commission or Panel determine we have not dealt with your petition adequately, it may use any of its powers to deal with the matter. These powers include instigating an investigation, making recommendations to the Council's Executive and arranging for the matter to be considered at a meeting of the full Council.

Once the appeal has been considered the petition organiser will be informed of the results within 5 working days. The results of the review will also be published on our website.

E-Petitions

The Council will be launching a facility for e-petitions to be created and submitted through its website by 15 December 2010.

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Scheme for Public Participation at Meetings of the Council

1. Why have a scheme?

The Council is committed to encouraging greater public participation in its work. This scheme will give members of the public the opportunity to tell Councillors directly at meetings of the Council about the things that concern them.

All issues raised by the public under this scheme will be given careful consideration.

While it will not be possible, in every case, to resolve an issue to the satisfaction of everyone, the Council will ensure that the issue is considered fairly.

2. What can the public do?

The public may use this scheme to make a submission to Councillors at a meeting of the Council in one of four ways:

(a) Petition

To present a petition at a Council meeting in order to request the Council to deal with any particular issue within the community. There is no minimum number of signatures.

(b) Question

To ask a question at a Council meeting. This may be addressed to the Mayor, a Member of the Executive or a Chairman of a Committee or Sub-Committee. The question must be about a Council Service, or a topic relevant to the Council.

A questioner who has put a question in person may also put one supplementary question, without notice, to the Member who has replied to his or her original question. A supplementary question must arise directly out of the original question or the reply. The Mayor may reject a supplementary question on any of the grounds in Paragraph 4 below.

(c) Statement

To make a Statement to a Council meeting about a Council Service, about something the Council has or has not done, or about a matter of local interest or concern.

(d) Deputation

To present to a Council meeting, a Deputation calling for action by the Council, registering a view about something the Council has or has not done, or about a matter of community interest.

A Deputation may only be made on behalf of an organised group of residents or other interested parties.

3. Relevance to the Council

The content of any form of submission must be about something that is within the Council's responsibilities. This includes matters of interest to the Council as a community leader.

4. What falls outside the scheme?

Some matters fall outside the scope of this scheme. These are:

- Individual's circumstances where it would not be appropriate for details to be aired in open session;
- Applications for legal consents where alternative procedures exist for the public to offer views; and
- Other proposals of any kind which have been formally published and where specific arrangements are made for the public to express their views.

The Chief Executive may also reject a submission if it:

- is not about a matter for which the local authority has a responsibility or which affects the Borough;
- is defamatory, frivolous or offensive;
- is substantially the same as a submission which has been put to a meeting of the Council in the past six months;
- Is about the subject of an appeal or review procedure that has not yet been concluded. or
- requires the disclosure of confidential or exempt information.

5. Number of submissions

At any one meeting, no person may make more than one submission and no more than two submissions may be made on behalf of one organisation or group.

6. Notice of Submission

A submission may only be made if notice has been given by delivering it, in writing, or by electronic mail, to the Head of Democratic and Registration Services, no fewer than **six** clear working days (the date of the Council meeting and the date of giving Notice shall not count as clear working days) before the day of the Council meeting. A question must be set out, in full, and a written summary of all points to be raised in any other form of submission must be provided. This will ensure that time is available to prepare advice for the meeting, an individual Councillor or the person making the submission. Each submission must give the name and address of the person who will make the submission at the meeting and, in the case of questions, must include the name, or office, of the Member of the Council to whom it is to be put.

7. Advice on Content

The Head of Democratic and Registration Services will be available to give advice to the public about the content of their submissions and the process. The Head of Democratic and Registration Services will also give advice to the Mayor and Members on such matters as necessary.

8. Who can use the Scheme?

The Scheme is open to any resident in the area covered by the Authority. The Scheme is also open to a representative of a business operating in the area of the Authority.

The Scheme is not open to employees of the Council wishing to make representations in that capacity. Employees' rights as private citizens to use this scheme are preserved.

Only one person may speak about each submission at the meeting. In the case of a Statement or Deputation on behalf of more than one person, the Notice should identify others who are party to the submission.

9. At which meetings may submissions be made?

Any submission under this scheme may be made at any ordinary meeting of the Council other than the Annual Meeting.

10. Support for the Public

The prospect of speaking at a formal meeting of the Council may be daunting for the public. Every help and support will be made available to those who wish to use this scheme. The Councillors and Officers present will treat members of the public with courtesy and respect.

11. Time Limits

No individual submission will be allowed more than three minutes at a meeting. This rule will be strictly enforced in fairness to all those who wish to address the meeting.

The overall time allowed at a meeting to hear and deal with submissions from the public will be decided by the Mayor, or by the meeting itself, but will not normally exceed thirty minutes. This will take into account the issues to be raised in the submissions, the number of submissions and the other business of the meeting.

Submissions will be heard in the order notice of them was received, except that the Mayor may group together similar matters. Where there is insufficient time to deal with all submissions received, the Mayor will decide which submissions should be dealt with at the meeting. Any submissions not dealt with will be formally received by the meeting and a written response will be given as soon as possible after the meeting.

12. Balance

The Mayor will ensure that those who are making submissions on opposite points of view on the same subject are treated equally as far as possible.

13. How will submissions be dealt with at the meeting?

Details of all submissions will be printed on the agenda for the relevant meeting. If the subject matter of the submission is already on the agenda for the meeting, the meeting will be prepared to defer consideration of the submission until that item on the agenda is reached.

If necessary, and convenient to the other business, the Mayor or the meeting itself will agree to advance that item in the order or proceedings.

The Mayor will invite the member of the public to address the meeting for up to three minutes. If the submission is in the form of a question, the Mayor will invite the Questioner to put the question to the Member named in the Notice. If a person who has made a submission is unable to be present, they may ask the Mayor to present the submission to the Council on their behalf. In the case of a question, the Mayor may ask the question on the Questioner's behalf or indicate that a written reply will be given. In any case the Mayor may decide, in the absence of the person making the submission, that the submission will not be dealt with.

14. Councillors' Questions on Submissions

Councillors will be allowed up to five minutes to ask solely factual questions of the person making each submission. This is included in the thirty minutes normally set aside for dealing with submissions.

15. Written Answers to Questions

Any question which cannot be dealt with during the allocated time, either because of lack of time or because of the non-attendance of the Member to whom it was to be put, will be dealt with by a written answer. Written answers shall be sent to the Questioner and copied to all Members of the Council.

16. Action the Meeting May Take

In the case of a question, the Councillor named in the Notice will reply, or in his or her absence, the Mayor may ask another Councillor to reply. The reply will count against the thirty minute time limit. A written reply may be given where this is more convenient and can be circulated at the meeting.

Unless the submission relates directly to an issue to be dealt with at the meeting, petitions will normally be referred for consideration by the same, or another body, within the Authority on a report from Officers.

In the case of Statements and Deputations, the meeting will decide on the most appropriate course of action, which will be either to note the submission or to request an Officer report to a subsequent meeting of the Executive or appropriate Committee or Sub-Committee on the issue raised.

Any Member may move that a matter raised by a submission be referred to the executive or the appropriate committee or sub-committee. Once seconded, such a motion will be voted on without discussion.

17. General Information

This scheme will be reviewed and adjustments made from time to time.

The public are welcome to attend Council, Executive, Committee and Sub-Committee meetings where open business is discussed, but may not speak to the meeting. All such meetings will be held in accommodation that has reasonable access and seating for the public. A summary of public rights of access to information is contained in the Access to Information Procedure Rules available for inspection at the Council offices, Easthampstead House, Town Square, Bracknell.

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**TO: GOVERNANCE AND AUDIT COMMITTEE
27 MARCH 2012**

**FUTURE STANDARDS COMMITTEE ARRANGEMENTS
Director of Corporate Services – Legal**

1 PURPOSE OF REPORT

- 1.1 This report seeks the views of the Committee as to whether, under the new framework for dealing with Member's conduct to be put in place in consequence of the Localism Act 2011, the Standards Committee should make recommendations to the Committee or to full Council.

2 RECOMMENDATION

- 2.1 **The Committee is requested to express a view as to whether the Standards Committee should make recommendations to the Committee or to full Council.**

3. REASONS FOR RECOMMENDATION

- 3.1 Not relevant.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The options are discussed in Section 5 below.

5 SUPPORTING INFORMATION

- 5.1 The Localism Act 2011 will, when the relevant provisions are brought into force, put in place a new regime for Member conduct. The Council will be required to have a Code of Conduct for Members but the Code will not be prescribed by central government. Although the Council will be obliged to have arrangements to determine allegations that a Member has contravened the Code it is not required to (but may have) a Standards Committee. The currently available sanctions which may be imposed in the event of a finding that a Member has contravened the Code (which include suspension for up to six months) will no longer be available. The sanctions which may be imposed in the future include censure, withdrawal of Council equipment (e.g. Council provided computers), restriction of access to Council premises and a recommendation to a political group that a Member be removed from a Committee.
- 5.2 The indications at this stage are that the Council will wish to retain a Standards Committee which includes independent persons. A consequence of the Localism Act repealing the whole structure of the existing legislation relating to Standards Committees is that in future independent persons co-opted on to a Standards Committee will not have voting rights unless the Standards Committee is constituted as an advisory committee. As a result, for the Council to retain a Standards Committee with a valid and effective role for independent persons, the Standards Committee will have to make recommendations to either another Committee or to full Council on the understanding that the receiving body will accept the recommendations. The

appropriate alternative to full Council would appear to be Governance and Audit Committee.

- 5.3 The government has indicated that the relevant parts of the Localism Act 2012 will come into force at the beginning of July 2012. Therefore the Council will need to have the Standards framework in place by then.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The Borough Solicitor is the author of this report.

Borough Treasurer

- 6.2 There are no financial implications directly arising.

Equalities Impact Assessment

- 6.3 Not relevant.

Strategic Risk Management Issues

- 6.4 Not relevant.

Other Officers

- 6.5 None.

7 CONSULTATION

Principal Groups Consulted

- 7.1 At its meeting on 19 March 2012 the Standards Committee will consider a report on a new structure for standards. The views of the Standards Committee will be reported to this Committee.

Method of Consultation

- 7.2 As alluded to in 7.1.

Representations Received

- 7.3 To be reported.

Background Papers

None.

Contact for Further Information

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Doc. Ref

AIJ/f/reports/Governance and Audit – Future Standards – 27 March 2012