



## **NOTICE OF MEETING**

**Governance & Audit Committee**  
**Wednesday 25 March 2015, 7.30 pm**  
**Council Chamber, Fourth Floor, Easthampstead House, Bracknell**

**To: Governance & Audit Committee**

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

**Independent Member**

Gordon Anderson

**cc: Substitute Members of the Committee**

Councillors Birch, Mrs Hayes, Leake, Mrs McCracken, Mrs Temperton and Wade

ALISON SANDERS  
Director of Corporate Services

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Published: 17 March 2015



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**Wednesday 25 March 2015, 7.30 pm**  
**Council Chamber, Fourth Floor, Easthampstead House,**  
**Bracknell**

Sound recording, photographing, filming and use of social media at meetings which are held in public are permitted. Those wishing to record proceedings at a meeting are however advised to contact the Democratic Services Officer named as the contact for further information on the front of this agenda as early as possible before the start of the meeting so that any special arrangements can be made.

**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**

Members are requested to declare any disclosable pecuniary or affected interest in respect of any matter to be considered at this meeting.

*Any Member with a Disclosable Pecuniary Interest or an affected interest in a matter should withdraw from the meeting when the matter is under consideration and should notify the Democratic Services Officer in attendance that they are withdrawing as they have such an interest. If the Disclosable Pecuniary Interest is not entered on the register of Members interests the Monitoring Officer must be notified of the interest within 28 days.*

3. **Minutes - 28 January 2015**

To approve as a correct record the minutes of the meetings of the Committee held on 28 January 2015.

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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. **Audit Plan 2014/15**

To receive an update from the Council's External Auditors on the Council's 2014/15 Audit Plan.

To follow

6. **Preparation of Annual Governance Statement**

To receive an update on the preparation of the Council's Annual Governance Statement and to seek a nomination from the Committee to sit on the Governance Working Group to assist with the Statement's preparation.

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7. **Annual Internal Audit Plan**

To consider a report setting out the underlying principles applied in the Internal Audit planning process and seeking the Governance and Audit Committee's approval of the Internal Audit Plan for 2015/16.

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8. **Local Government Audit Briefing**

To receive a report providing an update from the Local Government Audit Committee.

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**GOVERNANCE & AUDIT COMMITTEE**  
**28 JANUARY 2015**  
**7.30 - 8.41 PM**



**Bracknell Forest Borough Council:**

Councillors Heydon (Chairman), Allen (Vice-Chairman), Blatchford, Ms Brown and Thompson

**Apologies for absence were received from:**

Councillors McCracken, Ward and Worrall  
Gordon Anderson

**23. Declarations of Interest**

There were no declarations of interest.

**24. Minutes - 24 September 2014**

**RESOLVED** that the minutes of the meeting of the Committee held on 24 September 2014 be approved as a correct record and signed by the Chairman.

**25. Urgent Items of Business**

There were no items of urgent business.

**26. External Audit Matters**

The Committee considered an update report on various external audit matters presented by Helen Thompson and Rachel Brittain from Ernst & Young.

The report covered the completion of the 2013/14 audit (summarised in the annual audit letter later in the agenda) and a late variation to the audit scale fee. It went on to summarise the planned work for the 2014/15 audit, referring to the risk based approach to the audit of financial statements and the work to be undertaken to arrive at a statutory conclusion on the Council's arrangements to secure economy, efficiency and effectiveness (value for money assessment).

**RESOLVED** that the Audit Progress Report 2014/15 be noted.

**27. Grant Claims and Returns**

The Committee considered the Certification of Claims and Returns annual report 2013/14 presented by Helen Thompson and Rachel Brittain from Ernst & Young.

The certification work carried out by the external auditors involved executing prescribed tests designed to give reasonable assurance that the claims and returns made to the Department of Work and Pensions (DWP) towards the cost of housing benefits paid were fair and in accordance with specified terms and conditions. The housing benefits subsidy claim, with a total value of £33.4m had been certified, having identified fewer errors compared to previous years. The DWP were satisfied

that no further work was required by the Council. A reduced fee was payable for the certification as a result of removal of council tax benefit from the scheme.

**RESOLVED** that

- 1 The Certification of Claims and Returns Annual Report 2013/14 be noted; and
- 2 The External Auditors and Officers be thanked for their work in achieving this satisfactory result.

**28. Annual Audit Letter**

The Committee considered a report containing the external auditor's Annual Audit Letter 2013/14, presented by Helen Thompson of Ernst & Young.

The letter summarised the findings from the 2013/14 audit, comprising two elements:

- the audit of the financial statements; and
- the assessment of the Council's arrangements to achieve value for money in the use of resources.

The external auditor had issued an unqualified opinion on the Council's financial statements and an unqualified conclusion had also been given on the Council's arrangements for securing value for money. There were no specific recommendations which the Council was required to address.

Arising from a question it was explained that the auditors had commented that the Council should move to develop a more formalised suite of processes to support and inform the medium term financial strategy. This would link to cashflow and treasury management plans together with a strategy on borrowing and debt repayment, which was particularly important taking into account the substantial capital investment in projects such as the town centre redevelopment.

**RESOLVED** that the Annual Audit Letter 2013/14 be noted.

**29. Amendments to the Constitution: Health Overview and Scrutiny**

The Committee considered a report recommending changes to the Council's Constitution arising from new Regulations and recommendations from a Health Overview and Scrutiny (O&S) Working Group.

The new Regulations had introduced some revisions to the system of health scrutiny; in particular health scrutiny functions had been conferred on the local authority as distinct from any overview and scrutiny committee or panel within the authority. The change was designed to give councils greater flexibility in the way they choose to exercise health scrutiny functions.

It was proposed that:

- a) The Health O&S Panel should continue to work closely with the Executive Member for Health and the Director of Adult Social Care, Health and Housing when responding to consultations, involving the Council as appropriate. (This practice was followed most recently and successfully with the 'Shaping the Future of Health Services' consultation where the final response was agreed by full Council).

- b) The power to refer consultations to the Secretary of State for review be reserved for Council decision instead of the Health O&S Panel as previously.

Some Constitution amendments were also proposed arising from the implications of the Francis Report (recommended by the Health O&S Panel Working Group) together with some minor procedural updates. A question was asked in relation to the proposal to specify that a representative of Local Healthwatch be included as an Observer on the Health O&S Panel. The Borough Solicitor was asked to write separately to members to explain this change.

**RECOMMENDED** that the Constitution be amended, as shown in Appendix 1 to the report.

### 30. **Treasury Management Report**

The Committee considered a report containing the Mid-Year Review of the Council's Treasury Management Report.

The Mid-Year review comprised:

- An economic update for the first nine months of 2014/15.
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy.
- The Council's capital expenditure.
- A review of the Council's investment portfolio for 2014/15.
- A review of compliance with Treasury and Prudential Limits for 2014/15.

The Committee noted that the high level of cash balances had created opportunities to deposit cash at longer fixed term maturities, placed with the most highly rated UK financial institutions or part-nationalised UK Banks. This together with discounts for Pension Fund prepayments had boosted investment income for the year. The total of £48m currently invested was likely to reduce towards the year end.

The Committee also reviewed the Treasury Management Strategy for 2015/16, as requested by the Executive, prior to its submission to Council in February 2015 as part of the overall budget package and Council Tax decision. Given the significant level of investment planned by the Authority over the next three years, more detailed planning in line with a borrowing strategy would be required, which will be dependant on the progress made in completing the major schemes.

**RESOLVED** that

- 1 The Mid-Year Review report be endorsed and circulated to all Members of the Council; and
- 2 The Treasury Management Report for 2015/16 be endorsed for submission to the Council.

### 31. **Sealing of Deeds**

The Committee considered a report proposing a change to the provision in the Constitution relating to the execution of deeds on behalf of the Council.

Currently, the execution of deeds required attestation by the Borough Solicitor and the Mayor, the Deputy mayor or another nominated Member. Given the number deeds that needed to be executed (amounting to 358 transactions in the 2013

calendar year, often with two, three or more engrossments of each deed) this was unnecessarily bureaucratic and did not facilitate the swift completion of deeds.

**RECOMMENDED** that the Council's Constitution be amended to provide that the affixing of the Common Seal of the Council should be attested by the Borough Solicitor or (in his/her absence) another Solicitor authorised by the Borough Solicitor.

### 32. **Delegated Powers for Community Infrastructure Levy**

The Committee considered a report seeking views as to those delegations of powers which should be made to officers in order for the Council to operate the Community Infrastructure Levy (CIL).

CIL was a tariff based levy charged on new development which was due to come into force from 6 April 2015 (not 1 April as referred to in the report) once the Council had adopted a Charging Schedule. CIL would to a large extent replace agreements/undertakings under section 106 of the Town and Country Planning Act 1990.

The vast majority of decisions relating to CIL will be of a routine, administrative nature appropriately taken by Officers. However, some decisions identified in the report related to key policy elements and were appropriate to be reserved for Members. These included such matters as whether or not to make (or withdraw) discretionary charitable relief or discretionary social housing relief, the approval of an instalment policy for the payment of the levy, and whether or not to accept a "land payment" in full or part payment of the levy.

**RECOMMENDED** to the Leader of the Council, that save as proposed and detailed in Section 5 of the report, the Council's powers relating to CIL should be delegated to Officers.

### 33. **Internal Audit Assurance**

The Committee considered a report providing a summary of Internal Audit activity during the period April to December 2014.

Delivery of the planned audit programme was on track and during the period 10 grants had been certified, 1 memo was issued in compliance with NHS Pensions requirements, 28 reports had been finalised, 8 had been issued in draft and were awaiting a management response with a further 4 in draft awaiting internal quality review. Since the report had been issued, 7 more reports had been finalised, with a further 4 issued in draft.

The Committee noted 7 areas where a limited assurance opinion had been given; these would be revisited in 2014/15 to ensure successful implementation of agreed recommendations. A summary was also given of counter fraud activities taking place during the year.

Finally, the Committee reviewed an Internal Audit Charter, which had been drafted to comply with Public Sector Internal Audit Standards (PSIAS), and which all local authorities and other public sector organisations were required to adopt. The Charter was required to formally define the purpose, authority and responsibility of internal audit and be approved by senior management and "the Board" (a function of the Committee).

**RESOLVED** that



- 1 The Internal Audit Assurance report be noted; and
- 2 The Internal Audit Charter be approved.

34. **Exclusion of Public and Press**

**RESOLVED** that pursuant to Section 100A of the Local Government Act 1972, as amended, and having regard to the public interest, members of the public and press be excluded from the meeting for the consideration of the following item which involves the likely disclosure of exempt information under the following category of Schedule 12A of that Act:

- (3) Information relating to the financial or business affairs of any particular person.

35. **Strategic Risk Management Update**

The Committee considered the updated Strategic Risk Register which had been presented for review. The Register was attached to the report at Appendix 1.

In accordance with the Risk Management Strategy, during 2014/15 the Strategic Risk Register had been reviewed quarterly by the Strategic Risk Management Group and every six months by the Corporate Management Team. An update on mitigating actions had been obtained to inform the assessment of risk.

The Committee expressed satisfaction with the presentation of the Register and risk matrix in summarised format. In answer to a question, the assessment of the risk of the Council being unable to balance its finances whilst maintaining satisfactory service standards was explained in terms of the immediate and ongoing need to make year on year savings and efficiencies.

The Committee noted the Strategic Risk Register set out in Appendix 1 to the report

36. **Date of Next Meeting**

The Committee noted that its next meeting would be held on 25 March 2015 at 7.30 pm.

Councillor Blatchford submitted his apologies owing to a Mayoral engagement that evening.

**CHAIRMAN**

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**GOVERNANCE AND AUDIT COMMITTEE  
25 MARCH 2015**

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**PREPARATION OF ANNUAL GOVERNANCE STATEMENT  
Director of Corporate Services – Legal**

**1 PURPOSE OF REPORT**

- 1.1 To seek the nomination of a Member to assist the Governance Working Group in the formulation of the Annual Governance Statement.

**2 RECOMMENDATIONS**

- 2.1 **That the Committee nominate a Member to join the Governance Working Group during the formulation of the Annual Governance Statement for 2013/14.**

**3 REASONS FOR RECOMMENDATIONS**

- 3.1 Previous experience has proved that having Member input into the preparation of the Annual Governance Statement is very valuable.

**4 ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 Not to have any Member join the Governance Working Group but proceeding without having the benefit of a Member's perspective is considered to be undesirable.

**5 SUPPORTING INFORMATION**

- 5.1 The Accounts and Audit Regulations require the preparation of an Annual Governance Statement to review the adequacy of governance arrangements in place during the financial year and to consider whether any adjustments to those arrangements are required.
- 5.2 In recent years a Member (Councillor Thompson) has joined the officer Governance Working Group during its deliberations in preparing the Statement. That Member input is considered to have been very valuable and accordingly it is proposed that the practice be continued in preparing the 2013/14 Statement.

**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 required.

Strategic Risk Management Issues

6.4 None.

**7 CONSULTATION**

Principal Groups Consulted

7.1 None.

Method of Consultation

7.2 Not applicable.

Representations Received

7.3 Not applicable.

Background Papers

None

Contact for Further Information

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Doc. Ref

AJ/f/reports/Governance & Audit Committee – 25 March 2015

**TO: GOVERNANCE AND AUDIT COMMITTEE  
25 MARCH 2015**

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**INTERNAL AUDIT PLAN 2015/16  
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 2015/16.

**2 RECOMMENDATION**

- 2.1 **That the Governance and Audit Committee approve the Internal Audit Plan for 2015/16 attached at Appendix 1.**

**3 REASONS FOR RECOMMENDATION**

- 3.1 To ensure that the Council meets its statutory responsibilities for internal audit.

**4 ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 There is no alternative option.

**5 SUPPORTING INFORMATION**

Internal Audit Requirements

- 5.1 All local authorities must make proper provision for internal audit in line with the 1972 Local Government Act (S151) and the Accounts and Audit Regulations 2011. The latter states that authorities must "maintain an adequate and effective system of internal audit of its accounting records and of its system of internal controls in accordance with the proper internal audit practices". 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 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;
- comply with Public Sector Internal Audit Standards;
- 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;

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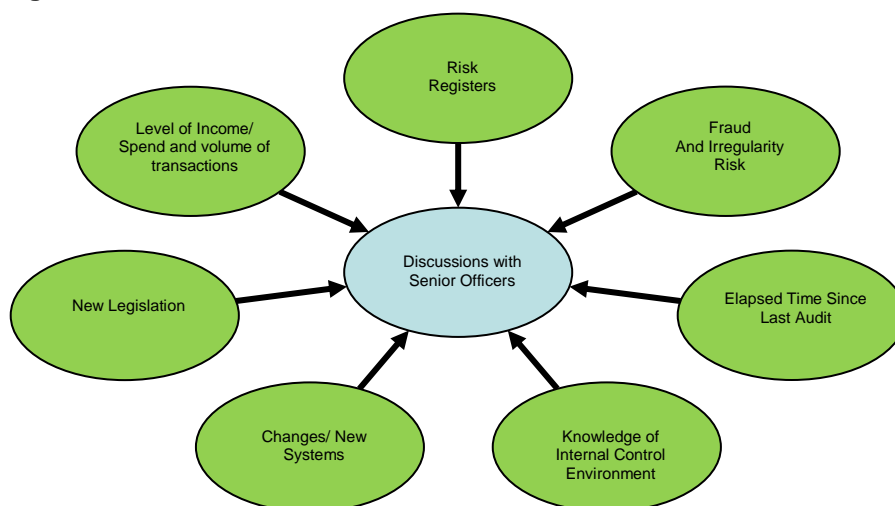
- assist management, where appropriate, in the investigation of alleged fraud, theft, corruption or other irregularity; and
- ensure External Audit can continue to place reliance on Internal Audit's work, to avoid duplication and minimise audit fees.

- 5.3 Internal Audit provides independent assurance on the control environment 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. Historically, the Council has taken the view that spend on internal audit should be limited to only what is necessary to undertake sufficient audit work to enable an annual evidence based opinion to be given. In the current financial climate that approach has and will be maintained. 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.
- 5.4 Managing the risk of fraud and corruption is the responsibility of managers. Internal Audit will however be alert in all its work to the risk of fraud and corruption. In addition, a number of probity audits are included in the Plan to 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 there is potential risk of internal or external abuse of processes for fraudulent purposes.

### Development of the Annual Internal Audit Plan

- 5.5 Given the finite resources available to spend on internal audit, the Internal Audit Plan seeks to optimise the limited resources available to provide assurance on the control environment. It is largely 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 the Council's Medium Term Objectives (MTOs) and address strategic risks to the achievement of those objectives.
- 5.6 The methodology for developing the plan is based on discussions with the Chief Executive, Borough Treasurer, Directors, Chief Officers and IT officers. The purpose of these meetings is to determine the areas that are of highest priority for delivery of the MTOs, that have the greatest impact on the Council's control environment and to provide management with assurance on areas of any particular concern.
- 5.7 These discussions with officers are based on a number of key considerations as set out in Figure 1 and are informed by detailed preliminary work undertaken by the Head of Audit and Risk Management through reviewing meeting minutes, risk registers, original budgets and budget outturn reports and update analysis of audit coverage in previous years. The discussions provide the opportunity for the Head of Audit and Risk Management to confirm her knowledge of new legislation and systems and their potential impact and to obtain assurance from senior officers that the proposed audit plan covers all major risks and areas of concern.

Figure 1



- 5.8 Fraud and irregularity is a key risk for all local authorities. Whilst as noted above, the responsibility for managing this risk rests with managers, the potential risk of fraud and irregularity is taken in to account when developing the audit plan thus ensuring there is adequate audit coverage of areas of greatest risk such as where there is cash income. These audits are noted in the probity column in the draft plan at Appendix 1. In addition, where appropriate individual audits include objectives to assess the adequacy of fraud controls.
- 5.9 Heads of Internal Audit are required to give an opinion on the effectiveness of governance and risk management arrangements. Audit coverage on governance is flagged under the governance column in Appendix 1. Specific coverage on project risk management will be covered in 2015/16 under the audit of major projects. Contract risks will be looked at as part of the contract management audits that are included in the 2015/16 Plan.
- 5.10 The draft plan of audits developed from the discussion meetings as at Appendix 1 is finally cross-checked against the Strategic Risk Register to ensure that there is adequate audit coverage against all key risks. A summary of the main audits against each strategic risk is attached at Appendix 2.

#### Resourcing Delivery of the Audit Plan

- 5.11 Delivery of the audits in the Council's internal audit plan is outsourced. Internal audit services are delivered via two main sources. The main provider, Mazars Public Sector Internal Audit Limited is expected to deliver approximately two thirds of the 2015/16 internal audit reviews under a contract for services which commenced on 1<sup>st</sup> April 2012. Whilst a small proportion of audits are carried out in-house, the bulk of the remaining one third of the Annual Internal Audit Plan 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 internal audit plan provides the foundation for internal audit activity during 2015/16, ensuring compliance with the relevant legislation. A budget of £188,230 has been included in the Council's financial plans for 2015/16 to provide the resources to deliver the internal audit plan.

### 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, Borough Treasurer, 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 The development of the Annual Internal Audit Plan for 2015/16 has involved extensive consultation with a range of stakeholders, to ensure that their views on risks and current issues, within individual departments and corporately, are identified and considered. This was based on one to one meetings with the Chief Executive, Borough Treasurer, Directors and chief officers followed by discussions at the Corporate, Departmental Management and Operational IT Management teams. Feedback was also been sought from Mazars as our key internal audit service provider and from our external auditors, Ernst & Young. Feedback on the content of the draft Plan and timing of audits has been taken into account in the Plan attached at Appendix A.

### Representations Received

7.3 Not applicable.

### Background Papers

Strategic Risk Register

Public Sector Internal Audit Standards

### Contact for further information

Sally.hendrick@bracknell-forest.gov.uk

01344 352092



## SUMMARY OF ANNUAL INTERNAL AUDIT PLAN 2015/16

AUDIT	DAYS BY QUARTER				TOTAL DAYS
	Q1	Q2	Q3	Q4	
COUNCIL WIDE AUDITS	20	20	30	20	90
CORPORATE SERVICES	27	49	90	29	195
ENVIRONMENT CULTURE AND COMMUNITIES	18	38	7	35	98
CHILDREN, YOUNG PEOPLE AND LEARNING	43	24	55	61	183
ADULT SOCIAL CARE, HEALTH AND HOUSING	29	38	35	19	121
TOTAL	137	169	217	164	687

## COUNCIL WIDE AUDITS

AUDIT	Days	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Key Fin. System	Link to Strategic Risks	Probity	Governance
Procurement (Ltd 14/15)	20	20	0	0	0	✓	✓	✓	✓
Procurement cards	5	0	0	0	5	✓	✓	✓	✓
Complaints Procedure	10	0	0	10	0			✓	✓
Officers Expenses	5	0	0	0	5		✓	✓	✓
Major projects – Governance arrangements	20	0	0	20	0		✓	✓	✓
Data Quality Audit	15	0	15	0	0			✓	✓
Grants made to third parties	10	0	0	0	10			✓	✓
Print and Design –Shared service usage and monitoring	5	0	5	0	0		✓	✓	✓
<b>TOTAL</b>	90	20	20	30	20				

## CORPORATE SERVICES

AUDIT	Days	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Key Fin. System	Link to Strategic Risks	Probity	Governance
<b>FINANCE</b>	10	0	0	10	0	✓	✓	✓	✓
Cash Management	10	0	0	10	0	✓	✓	✓	✓
Treasury Management	5	0	5	0	0	✓	✓	✓	✓
Accounts Payable	10	0	0	10	0	✓	✓	✓	✓
Accounts Receivable	10	0	0	10	0	✓	✓	✓	✓

Unrestricted

Main Accounting inc recs	15	0	15	0	0	✓	✓	✓	✓
Payroll	15	0	0	15	0	✓	✓	✓	✓
Imprests	5	0	5	0	0	✓	✓	✓	✓
<b>DEMOCRATIC SERVICES</b>	7	0	0	7	0			✓	✓
Members Allowances & Expenses									
Registration Services	7	7	0	0	0		✓	✓	✓
Elections	7	0	7	0	0		✓		✓
<b>PROPERTY SERVICES</b>	8	1	0	0	7		✓	✓	✓
Surveying Services									
Home to School Transport	7	0	0	0	7		✓	✓	✓
Fleet Management including Fuel Cards	7	7	0	0	0		✓	✓	✓
<b>CUSTOMER SERVICES</b>	10	0	0	10	0	✓	✓	✓	✓
Council Tax									
Business Rates	10	0	0	10	0	✓	✓	✓	✓
<b>GRANTS</b>	2	2	0	0	0			✓	✓
Bus Operators Grant									
<b>IT AUDITS</b>	5	0	0	5	0		✓	✓	✓
PCI Follow Up									
<b>PSN</b>	5	5	0	0	0		✓	✓	✓
Operating System	7	0	7	0	0		✓	✓	✓
New CRM System	8	0	0	8	0		✓	✓	✓
New Payroll/HR System	10	0	0	0	10	✓	✓	✓	✓
New Learning Development System	5	0	5	0	0			✓	✓
<b>CONTINGENCY</b>	20	5	5	5	5	✓	✓	✓	✓
<b>TOTAL</b>	195	27	49	90	29				

**ENVIRONMENT CULTURE AND COMMUNITIES**

ECC	Days	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Key Fin. System	Link to Strategic Risks	Probity	Governance
<b>LEISURE</b>	7	0	7	0	0		✓	✓	✓
Bracknell Leisure Centre									
Coral Reef - refunds and complimentary tickets	3	0	3	0	0		✓	✓	✓
Easthampstead Park Conference Centre	7	0	7	0	0		✓	✓	✓
The Look Out	5	5	0	0	0		✓	✓	✓
Leisure Cash Spot Checks	3	0	0	0	3		✓	✓	✓
<b>PLANNING AND TRANSPORT</b>	15	0	0	0	15		✓	✓	✓
CIL									
Highways Network management	7	0	7	0	0		✓	✓	✓
Development Control	10	0	0	0	10		✓	✓	✓
<b>ENVIRONMENT AND PROTECTION</b>	10	10	0	0	0		✓	✓	✓
Main Ringway Contract – Contract Management									
Street Cleansing Contract- Contract Management	5	0	5	0	0		✓	✓	✓
Landscape Contract- Contract Management	5	0	5	0	0		✓	✓	✓
RE3 – to be audited in quarter 1 under the Reading Borough Council Internal Audit Plan on	0	0	0	0	0		✓	✓	✓

Unrestricted

ECC	Days	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Key Fin. System	Link to Strategic Risks	Probity	Governance
behalf of all RE3 partners									
Residents Permit Parking	7	0	0	0	7		✓	✓	✓
Licenses	7	0	0	7	0		✓	✓	✓
<b>GRANTS</b>	1	1	0	0	0		✓	✓	✓
Green Deal Grant									
Bus Subsidy Grant	1	1	0	0	0		✓	✓	✓
Disabled Facilities Grant	1	1	0	0	0		✓	✓	✓
Integrated highways/transport block funding capital grants	3	0	3	0	0		✓	✓	✓
Pot Hole Grant	1	0	1	0	0		✓	✓	✓
<b>TOTAL</b>	98	18	38	7	35				

**CHILDREN, YOUNG PEOPLE AND LEARNING**

CYPL	Days	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Key fin. system	Link to strategic risks	Probity	Governance
<b>PERFORMANCE &amp; RESOURCES</b>	5	0	5	0	0			✓	✓
One Children's Centre									
One Youth Centre	4	0	4	0	0			✓	✓
Targeted Youth Support	5	5	0	0	0			✓	✓
<b>SCHOOLS</b>	7	0	0	7	0	✓	✓	✓	✓
School Census									
Binfield CE Primary School	4	4	0	0	0	✓	✓	✓	✓
College Town Junior (Ltd 14/15)	4	0	0	0	4	✓	✓	✓	✓
Brakenhale Secondary	6	0	0	6	0	✓	✓	✓	✓
Cranbourne CE Primary	4	4	0	0	0	✓	✓	✓	✓
Edgbarrow Secondary	6	6	0	0	0	✓	✓	✓	✓
Holly Spring Junior (Ltd 14/15)	4	0	0	0	4	✓	✓	✓	✓
Holly Spring Infants	4	4	0	0	0	✓	✓	✓	✓
Jennett's Park Primary	4	0	0	4	0	✓	✓	✓	✓
Kennel Lane	6	0	0	6	0	✓	✓	✓	✓
St Margaret Clitherow	4	4	0	0	0	✓	✓	✓	✓
St Michael's E'hampstead CE Primary (Ltd14/15)	4	0	0	4	0	✓	✓	✓	✓
The Pines	4	0	0	0	4	✓	✓	✓	✓
Sandhurst Secondary	6	6	0	0	0	✓	✓	✓	✓
Sandy Lane	4	0	0	4	0	✓	✓	✓	✓
Warfield CE Primary (Inc Nursery)	6	0	0	6	0	✓	✓	✓	✓
Wooden Hill	4	0	0	0	4	✓	✓	✓	✓
School contingency	6	0	0	0	6	✓	✓	✓	✓
Imprests in Schools	3	0	3	0	0	✓			
Procurement in Schools (Ltd 13/14) follow up	20	0	0	0	20	✓	✓	✓	✓
<b>LEARNING AND ACHIEVEMENT</b>	5	0	5	0	0			✓	✓
Services to Schools									
Pupil referral services exc PRU	5	0	0	5	0			✓	✓
SEN	10	0	0	0	10				
School Improvement Programme	5	0	5	0	0				
<b>SOCIAL SERVICES</b>	7	0	0	0	7		✓	✓	✓
Fostering									
Direct Payments (Ltd 14/15)	3	0	0	3	0		✓	✓	✓

Unrestricted

CYPL	Days	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Key fin. system	Link to strategic risks	Probity	Governance
Youth Offending Service	5	5	0	0	0		✓	✓	✓
<b>IT AUDITS</b> Capita ONE – Education system application audit	5	5	0	0	0		✓	✓	✓
Frameworki- application audit	8	0	0	8	0				
<b>GRANTS</b> Troubled Families	6	0	2	2	2				✓
	183	43	24	55	61				

**ADULT SOCIAL CARE, HEALTH AND HOUSING**

ASCHH	Days	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Key fin. system	Link to strategic risks	Probity	Governance
<b>ASCHH WIDE</b> Better Care Fund	7	0	7	0	0		✓	✓	✓
<b>PERFORMANCE AND RESOURCES</b> Electronic Monitoring and Billing (late June)	7	7	0	0	0		✓	✓	✓
Controccc payments and receipts	7	0	0	0	7	✓	✓	✓	
<b>OLDER PEOPLE</b> Drug and Alcohol Team	5	5	0	0	0		✓	✓	✓
Heathlands – residential & day services (Ltd 14/15)	7	7	0	0	0		✓	✓	✓
Emergency Duty Team	7	0	7	0	0		✓	✓	✓
<b>ADULTS AND JOINT COMMISSIONING</b> Direct payments	10	0	0	10	0		✓	✓	✓
Contracting	7	0	7	0	0		✓	✓	✓
Brokerage	7	0	7	0	0		✓	✓	✓
Mental Health including community living	10	0	0	10	0		✓	✓	✓
<b>HOUSING</b> Housing and Council Tax Reduction	15	0	0	15	0	✓	✓	✓	
Homelessness	7	0	0	0	7		✓	✓	✓
Housing Rents and Deposits (Ltd 14/15)	10	0	10	0	0		✓	✓	✓
<b>PUBLIC HEALTH</b> Contracting, commissioning, spend against public health funding and contract management (audit brief to be agreed with Alan Nash and Lise Llewelyn	10	10	0	0	0		✓	✓	✓
<b>IT AUDIT</b> Arbitas IT application audit	5	0	0	0	5				
<b>Total</b>	121	29	38	35	19				

Strategic Risk	Risk Rating	Proposed Audit(s) to Address Risk
Council unable to balance its finances whilst maintaining satisfactory service standards.	Red	<ul style="list-style-type: none"> <li>➤ Key financial system audits</li> <li>➤ School audits</li> <li>➤ Leisure sites</li> <li>➤ Better Care Fund</li> <li>➤ Homelessness</li> <li>➤ Contract Management audits</li> <li>➤ Contracting and Brokerage audits</li> </ul>
Council unable to predict and plan for future changes in demands for services arising from demographic changes and national policy initiatives.	Yellow	<ul style="list-style-type: none"> <li>➤ School census</li> <li>➤ SEN</li> <li>➤ Fostering</li> <li>➤ Mental Health</li> </ul>
Loss of key senior staff. Failure to be able to recruit staff and to ensure that individuals with the right skills and expertise are recruited and that staff are properly trained and well-motivated.	Yellow	<ul style="list-style-type: none"> <li>➤ Payroll and pre-employment checks</li> <li>➤ School audits</li> <li>➤ New payroll/HR system</li> <li>➤ New Learning and Development</li> </ul>
IT infrastructure or systems unavailable due to IT failure, non-compliance with PSN/PCI requirements, insufficient IT staff resources of the required calibre to deliver services/projects, an incident preventing the functioning of IT or IT suppliers being unable to deliver/maintain systems.	Red	<ul style="list-style-type: none"> <li>➤ PSN</li> <li>➤ Operating systems</li> <li>➤ IT application audits</li> </ul>
Council unable to comply with data protection/security requirements to secure data resulting in inappropriate disclosure, loss or theft of sensitive data.	Yellow	<ul style="list-style-type: none"> <li>➤ PCI</li> </ul>
Council unable to implement major projects.	Red	<ul style="list-style-type: none"> <li>➤ Major projects governance arrangements</li> </ul>
Business Continuity Plans and procedures inadequate or not clearly communicated and understood.	Yellow	<ul style="list-style-type: none"> <li>➤ PSN</li> <li>➤ Contract audits</li> </ul>
Factors outside the control of the Council may result in the injury or death of a vulnerable child or adult in the community. Weaknesses in Council procedures may contribute to the failure to safeguard a vulnerable child or adult.	Red	<ul style="list-style-type: none"> <li>➤ Fostering</li> <li>➤ Mental Health</li> <li>➤ Heathlands</li> </ul>
Council unable to maintain buildings/highways in accordance with health and safety and other legislative standards. CIL set too high.	Yellow	<ul style="list-style-type: none"> <li>➤ CIL</li> <li>➤ Grant certification</li> <li>➤ Surveyors Services</li> </ul>
Council unable to work effectively with key partners or involve residents in the development of our services.	Yellow	<ul style="list-style-type: none"> <li>➤ Major projects governance arrangements</li> <li>➤ Contract audits</li> </ul>
Council unable to implement legislative changes.	Yellow	<ul style="list-style-type: none"> <li>➤ Better Care Fund</li> <li>➤ SEN</li> <li>➤ Procurement</li> </ul>
Delays in the Town Centre Regeneration project led by Bracknell Regeneration Partnership (BRP) working in partnership with Bracknell Forest Council. Council unable to deliver its respective elements of the project.	Red	<ul style="list-style-type: none"> <li>➤ Major projects governance arrangements</li> </ul>

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## Local government audit committee briefing

### Contents at a glance

**Government and economic news**

**Accounting, auditing and governance**

**Regulation news**

**Key questions for the audit committee**

**Find out more**

This sector briefing is one of the ways that we hope to continue to support you and your organisation in an environment that is constantly changing and evolving.

It covers issues which may have an impact on your organisation, the Local government sector and the audits that we undertake. The public sector audit specialists who transferred from the Audit Commission form part of EY's national Government and Public Sector (GPS) team. Their extensive public sector knowledge is now supported by the rich resource of wider expertise across EY's UK and international business. This briefing reflects this, bringing together not only technical issues relevant to the local government sector but wider matters of potential interest to you and your organisation.

Links to where you can find out more on any of the articles featured can be found at the end of the briefing, as well as some examples of areas where EY can provide support to Local Authority bodies. We hope that you find the briefing informative and should this raise any issues that you would like to discuss further please do contact your local audit team.





## Government and economic news

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### EY ITEM Club Winter Forecast 2014-15

The latest forecast by the EY Item Club for winter 2014-15 highlights the global oil price collapse, which is creating winners and losers worldwide – with the UK decisively a winner. It sees cheaper energy giving consumers a major shot in the arm and driving inflation as measured by the Consumer Prices Index (CPI) down to an average of zero this year. As a result EY Item Club has revised up its forecast for UK GDP growth in 2015 to 2.9% from 2.4% in October. With inflation averaging zero in 2015, this will effectively put any rise in base rates on hold until 2016. Together with stronger real income growth, a boost in housing activity is predicted.

Against this, the negatives are risks which could arise, as opposed to existing ones. A lack of demand in the global economy is a factor reflected in the oil price and worries over the Eurozone are intensifying. Additionally, the consumer-led growth in the UK economy will leave it even more unbalanced and dependent on domestic consumption.

### 2015-16 Local Government settlement

Following the provisional settlement published in December 2014, the government has published its final 2015-16 settlement in February. The overall reduction in spending power has been calculated as 1.7%, with a maximum reduction of 6.4%.

An additional £74mn has been allocated to upper tier authorities to reduce pressures in areas including local welfare and health and social care budgets.

The government also announced £37mn being provided to Authorities in 2014-15 for the provision of additional support packages to prevent hospital admissions where possible, and ensure that support is available to enable patients to leave hospital when they are ready.

The Local Government Association (LGA) has produced a briefing on the final settlement which includes the following messages:

- ▶ Councils will have to make savings of £2.5bn in their budgets in 2015-16. Sixty percent of respondents to an LGA survey in 2014 were considering stopping at least some key local services in 2015 due to lack of funding, which demonstrates the future pressure on front line services unless savings and alternative income streams are identified, and existing income streams maximised.
- ▶ Services including social care for children are seeing reductions for the first time
- ▶ Reductions of the same magnitude are forecast by the Office for Budget Responsibility and the Institute for Fiscal Studies until 2020
- ▶ The LGA welcomes the announcement of an additional £74mn, but calculates a reduction in welfare funding of £100mn





# Accounting, auditing and governance

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## Annual reports and accounts – lessons from the private sector

In its September 2014 report *Out with the old, in with the new* EY made observations from its review of 2013 annual reports in the FTSE 350. The issues and challenges addressed resonate strongly in the public sector. In this article, we consider some of the key messages from that report and how local government bodies can benefit from embracing those messages.

### Does size matter?

It is a difficult balancing act to decide the optimum level of information reported to stakeholders. EY's report found that the best Annual Reports and Accounts were not necessarily the longest or the most detailed. Stakeholders want the annual report to present concise and relevant information in a way that helps them understand how their money is being spent and how their services are being managed, along with a clear description of the risks and challenges that lie ahead.

### Think FBU – 'fair, balanced and understandable'

The annual report is a chance for bodies to tell the story of the last 12 months, and FBU is a helpful guiding concept. The focus of the report should be on the narrative – why we exist, our strategic priorities, how we have progressed over the last 12 months. Some of the best examples of transparent reporting explained 'what didn't go to plan' in key areas of the narrative. Reporting weaknesses, difficulties and challenges as well as successes, makes for a 'fair' and 'balanced' report and, over time, will help build trust with stakeholders. The best annual reports will have clear signposting between each section and will cross refer between sections.

Bodies should do more to integrate financial and non-financial reporting, for example, by highlighting the key financial

and non-financial strategic objectives and how chosen key performance indicators are truly driving value and achievement against these objectives. There should be a clear explanation of how risks impact the organisation and could impede the achievement of strategic objectives.

### Good reporting of governance

The annual governance statement is particularly susceptible to repetition of boiler plate disclosures. The most important, interesting and valuable governance information is what the body actually did from a governance standpoint during the year and what changed. Be clear in what the messages are that need to be conveyed, including:

- ▶ Compliance with the CIPFA/SOLACE principles of good governance
- ▶ Key risks and challenges identified at the start and during the year
- ▶ Clear explanation of how these challenges were addressed
- ▶ Clear explanation of failings in governance
- ▶ Changes to governance arrangements made as a result
- ▶ Reports from those charged with governance describing what the board and its committees did in the year and a flavour of outcomes from their review of effectiveness

### Conclusion

Good annual reporting should not be seen as a checklist exercise in disclosures. Continued focus should be put on making annual reports more helpful and understandable for stakeholders.



# Accounting, auditing and governance

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## Highly paid off-payroll appointments

### What's the issue?

There have been some high profile cases where Government departments engaged individuals who had controlling roles in large public funded organisations but who were not directly employed by the organisation.

As a result of these cases the Treasury requires public sector bodies to report arrangements whereby individuals are paid through their own companies (and so are responsible for their own tax and NI arrangements).

### What should your organisation have done about it?

To avoid sanction from HMRC and adverse publicity all public sector bodies are required to:

- ▶ Identify all contracts over £220 per day, which are expected to last for more than six months
- ▶ Ensure those arrangements contain clauses allowing your organisation to request assurance that the individual is paying the right amount of tax
- ▶ Undertake a risk assessment of all off-payroll engagements to determine whether assurance needs to be sought that the individual is paying the right amount of tax and where necessary that assurance has been sought
- ▶ Monitor whether assurance has been provided by each individual and maintain evidence
- ▶ If no assurance has been provided by the individual consider terminating the contract or putting the individual onto the organisation's payroll
- ▶ Comply with the detailed additional disclosures required in your Annual Reports

## Local Government Association consultation – sector-led improvement

The Local Government Association (LGA) has issued a consultation on the future of sector-led improvement, with a closing date of 15 March 2015.

Following the abolition of the previous national performance framework, sector-led improvement was introduced, with the LGA taking the role of supporting the sector. It was based on the premise that Authorities are accountable and responsible for their own performance. This shifted the emphasis from national accountability to local accountability, however it also removed the obligation for Authorities to be involved which left external stakeholders unsure about the robustness of the approach.

The LGA are taking stock to identify whether or not the approach is suitable, and whether or not any changes to the approach are necessary. The consultation also gives the opportunity for comment on the inspection of children's services.

All Chief Executives and Leaders should have been sent a unique link to enable them to respond. Others wishing to respond can do so either by filling out the online form or by emailing the LGA.

## What makes a successful project in government?

Major government projects often hit the headlines for cost and time over-runs and but there are many examples of projects which are being delivered successfully.

As Authorities are increasingly facing funding pressures and looking for innovative ways to manage their finances, we are sharing some themes from the 2014 Successful Projects in Government conference. The conference was designed by the UK's Major Projects Authority, in cooperation with EY, the Ministry of Defence and the Nuclear Decommissioning Authority to share details of projects that had been delivered successfully due to the



## Accounting, auditing and governance

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leadership talents and ingenuity of project teams in tackling the challenges that all major projects face.

It brought together senior colleagues from across UK government departments to illustrate that despite the negative picture often painted of project delivery in government, the reality is different.

According to Brian Gorman, UK GPS Advisory Leader, who led the initiative “There is no ‘one size fits all’ solution to project success. The skills and capabilities required for Infrastructure projects can be very different to the skills and capabilities required for service delivery projects. We need to recognise these differences more explicitly in how we conceive, design, plan and resource our projects if we are to deliver maximum value for our investment.”

The 40 case studies and outputs from the event have now been captured in a publication, designed to be a practical tool and network resource for those planning to undertake projects in the future, both in the UK and globally.

To explore these attributes in real situations, the projects showcased have been split into three central themes:

**service delivery, transformation and infrastructure.** Each project provided fresh insights and nuances into what it takes to be successful but five common themes emerged across them all:

- ▶ Strong leadership to inspire, challenge and champion
- ▶ Accountability through and across the project
- ▶ Clear line of sight to crisp policy intent
- ▶ Experienced team who know their business and the business
- ▶ Strong stakeholder management

### Audit Commission report on data quality

The Audit Commission has produced a report on data quality, entitled *Data quality matters*, which reflects on the past work of the Audit Commission and its appointed auditors in relation to data quality.

The report emphasises the importance of data quality, and notes that it is an essential part of robust governance arrangements for securing value for money; since flawed data can result in ineffective decision making.

The key lessons that the report seeks to draw out are:

- ▶ Governance will be most effective when it involves two-way dialogue with the front line, to communicate the importance of data quality
- ▶ The value of data quality needs to be communicated throughout organisations
- ▶ The front line should be engaged in ensuring data quality
- ▶ Data quality should be assured as close as possible to the point of capture



## Regulation news

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### **Local Audit and Accountability Act 2014**

The Local Audit and Accountability Act 2014 received Royal Assent on 30 January 2014. This officially makes it possible for the Audit Commission to effectively be wound down on 31 March 2015.

Several of the Audit Commission's key functions will continue after its closure. These are summarised below:

#### **Management of Audit Contracts:**

In order to continue with the management of audit contracts the Local Government Association has created an independent company to oversee the audit contracts. This independent organisation will be called Public Sector Audit Appointments Limited.

#### **National Fraud Initiative:**

The responsibility for managing, administering and reporting on the National Fraud Initiative (NFI) will pass to the Home Office with effect from 1 April 2015.

#### **Code of Audit Practice:**

Responsibility for producing and updating the Code of Audit Practice will pass to the National Audit Office with effect from 1 April 2015.

Section 32 of the Local Audit and Accountability Act 2014 gives the Secretary of State the power to make provision through regulations about the financial management, internal control, and annual accounts and audit procedures applying to relevant authorities. The Accounts and Audit Regulations 2015 were laid before Parliament on 17 February 2015 and reflect the requirements relating to annual published accounts and audit procedures applying to relevant authorities. The 2011 regulations will continue to apply for the completion of 2014/15 audits, with the 2015 regulations coming into effect for financial years beginning on or after 1 April 2015.

As noted in the January briefing, the Act introduces a compression of the audit timetable for Local Government accounts. This will require the publication of accounts, together with their audit opinion by the 31 July of the financial year immediately following the end of the financial year to which the statement relates. The explanatory memorandum accompanying the Act reiterates the Government's decision to defer this change until 2017/18 to allow a reasonable timescale for Local Government bodies and their auditors to adjust.



## Regulation news

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### NAO – draft Code of Audit Practice

The Local Audit and Accountability Act 2014 provides the legislative basis for the new framework for the audit of local public bodies which was announced by the Government in August 2010.

Previously, the Audit Commission was responsible for the preparation and maintenance of a Code of Audit Practice, which sets out the respective responsibilities of audited bodies and auditors; and explains what local auditors should do to meet their statutory responsibilities for the audit of local public bodies. The Local Audit and Accountability Act makes the Comptroller and Auditor General responsible for the preparation and maintenance of the Code of Audit Practice following the closure of the Audit Commission.

The National Audit Office (NAO) sought the public's views on the draft of its first Code in a consultation that ended at the end of October 2014, and published a final draft code in January 2015.

A key difference as compared to the Audit Commission codes, is that the NAO have taken the decision (which was supported by the majority of responses to the consultation) to produce a single code for all bodies within the new arrangements for local public audit.

The NAO have also pointed out that the Code is principles-based, and will be supported by detailed guidance to auditors which they will seek to provide with the aim of facilitating consistency whilst recognising that the same approach will not always be the most appropriate for all audited bodies.

Subject to Parliament's approval, the Code will take effect from 1 April 2015 for audit work relating to the 2015-16 financial year onwards.



## Key questions for the audit committee

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### What questions should the Audit Committee be asking itself?

- ▶ How have we satisfied ourselves that we are fully compliant with the HMRC requirements regarding our off-payroll staff members?
- ▶ Have our officers critically evaluated the closedown process to identify areas that could be streamlined or brought forward? Are we aware of the areas of the 2014-15 accounts that will contain a higher risk of error and therefore require closer scrutiny?
- ▶ What have our experiences of sector-led improvement been? Are we satisfied that our electorate are able to hold us accountable, and if not, what can we do to enhance local accountability?
- ▶ What can we learn from successfully implemented major projects and how can we apply them to our own initiatives to maximise our finances to ensure that they are effective?
- ▶ Have we monitored our data quality arrangements and adjusted them in the light of changing risks and priorities?
- ▶ Do our data quality arrangements remain robust and effective?



## Find out more

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### **EY Item Club**

Read more from the ITEM club at: <http://www.ey.com/UK/en/Issues/Business-environment/Financial-markets-and-economy/ITEM---Forecast-headlines-and-projections>

### **2015-16 Local Government settlement**

Read about the final finance settlement at: <https://www.gov.uk/government/speeches/final-local-government-finance-settlement-2015-to-2016>

The LGA briefing can be accessed at: <http://www.local.gov.uk/documents/10180/5533246/LGA+Briefing+-+Local+Government+Finance+Settlement+2015-16+-+House+of+Commons+-+10+02+15.pdf/bbd1db5b-4363-4582-937e-7b92dcf60e60>

### **Highly paid off-payroll appointments**

For further information see the HMRC guidance at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/220745/tax\\_pay\\_appointees\\_review\\_230512.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/220745/tax_pay_appointees_review_230512.pdf)

### **LGA consultation on the future of sector-led improvement**

See details of the consultation at the link below: <http://www.local.gov.uk/documents/10180/6869714/L14-551+Where+next+with+sector-led+improvement/99e45118-653f-4749-a9ae-01b83d796cf0>

### **What makes a successful project in government?**

For further details of the case studies presented at the conference, ask a member of your EY engagement team for a copy of the full publication.

### **Audit Commission report on data quality**

Find the report and supporting documents at: <http://www.audit-commission.gov.uk/2015/02/data-quality-matters/>

### **Local Audit and Accountability Act 2014**

The allocation of responsibilities is available at: [www.audit-commission.gov.uk/about-us/the-future-of-the-audit-commissions-functions/](http://www.audit-commission.gov.uk/about-us/the-future-of-the-audit-commissions-functions/)

The Accounts and Audit Regulations Act 2015 can be found at: <http://www.legislation.gov.uk/ukxi/2015/234/contents/made>

### **NAO – draft Code of Practice**

Read the final draft code in full at: [http://www.nao.org.uk/keep-in-touch/wp-content/uploads/sites/11/2014/09/Final\\_Draft\\_Code\\_of\\_Audit\\_Practice.pdf](http://www.nao.org.uk/keep-in-touch/wp-content/uploads/sites/11/2014/09/Final_Draft_Code_of_Audit_Practice.pdf)







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