



NOTICE OF MEETING

Governance & Audit Committee

Wednesday 30 March 2016, 7.30 pm

Council Chamber, Fourth Floor, Easthampstead House, Bracknell

To: Governance & Audit Committee

Councillor Allen (Chairman), Councillor King OBE (Vice-Chairman), Councillors Heydon, McLean, Ms Miller, Mrs Temperton, Thompson and Worrall

Independent Member

Gordon Anderson JP

cc: Substitute Members of the Committee

Councillors Mrs Hayes MBE, Hill, Leake, McCracken and Mrs McKenzie-Boyle

ALISON SANDERS
Director of Corporate Services

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Published: 21 March 2016



Governance & Audit Committee
Wednesday 30 March 2016, 7.30 pm
Council Chamber, Fourth Floor, Easthampstead House,
Bracknell

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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 - 27 January 2016**

To approve as a correct record the minutes of the meetings of the Committee held on 27 January 2016.

5 - 8

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 Plan 2015/16**

To note the External Auditor's plan for the Audit of the 2015/16 financial statements.

9 - 28

6. **Internal Audit Plan 2016-17**

To set out the underlying principles applied in the Internal Audit planning process and seek the Committee's approval of the Internal Audit Plan for 2016/17.

29 - 38

7. **Appointment of Local External Auditors**
To inform the Committee of the new arrangements for the appointment of local external auditors. 39 - 42

8. **Annual Review of the Constitution**
To seek approval to a number of changes to the Council's Constitution. 43 - 80

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GOVERNANCE & AUDIT COMMITTEE
27 JANUARY 2016
7.30 - 8.40 PM



Bracknell Forest Borough Council:

Councillors Allen (Chairman), King OBE (Vice-Chairman), Heydon, Leake, Ms Miller, Mrs Temperton, Thompson and Worrall

Present:

Independent Members:

Gordon Anderson JP

Apologies for absence were received from:

Councillor McLean

21. Apologies for Absence & Substitute Members

Councillor Leake substituted for Councillor McLean.

22. Declarations of Interest

There were no declarations of interest.

23. Minutes - 23 September 2015

RESOLVED that the minutes of the meeting of the Committee held on 23 September 2015 be approved as a correct record and signed by the Chairman.

Arising from the minutes it was noted that:

- Contrary to the announcement at the last meeting, Helen Thompson of Ernst & Young would remain as the engagement director for the 2015/16 audit.
- The proposed further report concerning amendments to the Employees Code of Conduct would be available for consideration at the next meeting of the Committee.

24. Urgent Items of Business

There were no items of urgent business.

25. External Audit Matters

The Committee considered an update report on various external audit matters presented by Helen Thompson of Ernst & Young.

A change of Audit Manager for the Council had been made: Malcolm Haines was taking over from Rachel Brittain and would attend the next meeting of the Committee. Work had commenced on planning the next audit for the Council which, following discussions on the working papers required to support it and the testing of routine

processes and controls, would commence on 4 July 2016. A new overall approach to work on Value for Money arrangements will apply to audits from 2015/16 onwards, following the issue of guidance from the National Audit Office.

A separate section of the report dealt with the Certification of claims and returns for 2014-15. This related to the housing benefit subsidy claim amounting to in excess of £33.36m. The certification work carried out had identified a very small number of errors (which were corrected by the Council) resulting in a minor increase in the subsidy, the details of which were set out in a qualification letter. This represented a continuation of the improvement by the Council in administering the Government's housing benefits scheme for tenants, making it one of the best performing authorities. The Committee was informed that the improvements had been effected through refining processes with effective checks and balances, building up the quality of the staff through training together with improved supervision.

The Committee noted that the Auditors proposed a reduction in the fee payable for the certification work to £33,500 (from the £41,580 indicative fee) which, if confirmed by Public Sector Audit Appointments, would result in a refund for the Council.

RESOLVED that:

- 1) The Audit Progress Report and the Certification of Claims and Returns Annual Report 2014/15 be noted.
- 2) The Housing Benefits team be congratulated on the continued improved performance over the last year.

26. **Annual Audit Letter 2014/15**

The Committee considered a report containing the external auditor's Annual Audit Letter 2014/15 presented by Helen Thompson of Ernst & Young. The Audit Letter had been reported to the Council, and the detail of its contents had been considered by the Committee at its last meeting via the Audit Results report.

Although it was queried whether the Committee needed to look further at the Audit Letter, members raised a number of questions arising, leading to responses as follows:

- The Auditors had issued an unqualified value for money conclusion for 2014/15. However, the National Audit Office had issued new guidance on the way the value for money arrangements would work in 2015/16. It was suggested that this would be a suitable topic to consider for a future presentation to members of the Committee.
- Although a significant risk had been identified in relation to the valuation of property, plant and equipment, the switch to the use of internal valuers for the school asset revaluation exercise (using the standard RICS methodology) had produced valuations which had been tested and found satisfactory by the auditors.
- Although the Council had carried out a successful 'dry run' on the earlier deadline for the production and audit of the financial statements, the statutory introduction of this from 2017-18 may be difficult to achieve with the reduced resources likely to be available in future.

RESOLVED that the Annual Audit Letter 2014/15 be noted.

27. Internal Audit Assurance Report

The Committee considered a report showing a summary of Internal Audit activity up to the end of December 2015.

Delivery of the planned audit programme was on track and 64 pieces of work had been carried out during the period comprising finalised reports, draft reports awaiting management responses, grants certified and memos issued. Since the report had been prepared, five of the draft reports had been finalised and two further grant claims were about to be certified.

There were 9 reports where a limited assurance opinion had been issued, of which 8 related school audits. The most common weakness was in the expenditure control environment and in order to address this, support was being given to schools by Senior officers from the Education Authority and Internal Audit was assisting with training and updated guidance through Bursar Support sessions. The schools would be re-audited during 2016/17 where they had not become academies. Governing bodies should be receiving reports and monitoring agreed management actions to address audit recommendations. The Committee requested that it should be built into the audit programme for schools that audit should check that the results of an audit had been reported to the School Governing Body for their consideration and monitoring of agreed actions.

The Committee also noted an update on benefits investigations, which since December 2014 had been carried out by the Single Fraud Investigation Service (SFIS) within the Department of Work and Pensions. During the first 9 months of the year the Council had passed 65 cases to SFIS for investigation as fraud was suspected.

RESOLVED that the report be noted.

28. Treasury Management Report 2016/17 and Mid Year Review

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 2015/16.
- A review of the Treasury Management Statement and Annual Investment Strategy.
- The Council's capital expenditure.
- A review of the Council's investment portfolio for 2015/16.
- A review of compliance with Treasury and Prudential Limits for 2015/16.

In answer to questions posed, the Committee recognised that although the proportion of investments held in money market funds was high, there was very little advantage to be gained in tying up more cash in fixed term maturities, particularly when it was possible there could be some upward movement in interest rates. The Council continued to invest only in the most highly rated UK financial institutions, or those part-nationalised banks.

The Treasury Management Report contained very few changes to that presented last year and was essentially the same in terms of outlook, strategy and investment criteria.

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 2016/17 be endorsed for submission to the Council.

29. **Change in Accounting Policy for Highways Network Assets**

The Committee considered a report about a change to the valuation basis of the Highways Network Asset (formerly referred to as Infrastructure Assets) which will need to be reflected in the Council's accounts from 2016/17.

The Council's accounts have previously provided for the value of assets to be measured and reported on a Depreciated Historic Cost (DHC) basis. However, to ensure consistency across public sector bodies, the Council will be required to account for transport infrastructure assets on a Depreciated Replacement Cost (DRC) basis in 2016/17. This will have the effect of increasing the value of Infrastructure Assets on the Council's Balance Sheet from around £48m to approximately £1.7 billion, a more than 30 fold increase.

The Committee recognised that although the additional work involved in this accounting exercise could be carried out without additional internal costs, it was likely that External Audit fees would increase.

RESOLVED that the change in accounting policy and the plan to meet it be noted.

CHAIRMAN

**TO: GOVERNANCE AND AUDIT COMMITTEE
30 MARCH 2016**

**EXTERNAL AUDIT PLAN 2015/16
Borough Treasurer**

1 PURPOSE OF REPORT

1.1 To note the External Audit Plan for 2015/16.

2 RECOMMENDATION(S)

2.1 **That the Governance and Audit Committee note the External Audit Plan for 2015/16.**

3 REASONS FOR RECOMMENDATION(S)

3.1 To advise the Governance and Audit Committee of the external auditor's audit plan for 2015/16.

4 ALTERNATIVE OPTIONS CONSIDERED

4.1 None

5 SUPPORTING INFORMATION

External Audit Plan

5.1 The External Audit Plan for 2015/16 is attached at Annex A.

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 annual external audit have been provided for in the Council's current budget.

Equalities Impact Assessment

6.3 Not applicable

Strategic Risk Management Issues

6.4 None.

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

None

Contact for further information

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Bracknell Forest Council

Year ending 31 March 2016

Audit Plan

March 2016

Ernst & Young LLP



Building a better
working world

Members of the Governance and Audit Committee
Bracknell Forest Council
Easthampstead House
Town Square
Bracknell
Berkshire
RG12 1AQ

21 March 2016

Dear Committee Members

Audit Plan

We are pleased to attach our Audit Plan which sets out how we intend to carry out our responsibilities as your auditor. Its purpose is to provide the Governance and Audit Committee with a basis to review our proposed audit approach and scope for the 2015/16 audit in accordance with the requirements of the Local Audit and Accountability Act 2014, the National Audit Office's 2015 Code of Audit Practice, the Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA) Ltd, auditing standards and other professional requirements. It is also to ensure that our audit is aligned with the Committee's service expectations.

We welcome the opportunity to discuss this plan with you on 30 March 2016 and to understand whether there are other matters which you consider may influence our audit.

Yours faithfully



Helen Thompson
Executive Director

For and behalf of Ernst & Young LLP
Enc

Contents

1. Overview	1
2. Financial statement risks	2
3. Economy, efficiency and effectiveness	4
4. Our audit process and strategy	6
5. Independence	10
Appendix A Fees	12
Appendix B UK required communications with those charged with governance	13

In April 2015 Public Sector Audit Appointments Ltd (PSAA) issued ‘Statement of responsibilities of auditors and audited bodies 2015-16’. It is available from the Chief Executive of each audited body and via the PSAA website (www.psaa.co.uk)

The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The ‘Terms of Appointment from 1 April 2015’ issued by PSAA sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code) and statute, and covers matters of practice and procedure which are of a recurring nature.

This Annual Plan is prepared in the context of the Statement of responsibilities. It is addressed to the Governance and Audit Committee, and is prepared for the sole use of the audited body. We, as appointed auditor, take no responsibility to any third party.

Our Complaints Procedure – If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, you may take the issue up with your usual partner or director contact. If you prefer an alternative route, please contact Steve Varley, our Managing Partner, 1 More London Place, London SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. Should you remain dissatisfied with any aspect of our service, you may of course take matters up with our professional institute. We can provide further information on how you may contact our professional institute.

1. Overview

Context for the audit

This Audit Plan covers the work that we plan to perform to provide you with:

- ▶ our audit opinion on whether the financial statements of Bracknell Forest Council give a true and fair view of the financial position as at 31 March 2016 and of the income and expenditure for the year then ended; and
- ▶ our conclusion on the Council's arrangements to secure economy, efficiency and effectiveness.

We will also review and report to the National Audit Office (NAO), to the extent and in the form required by them, on the Council's Whole of Government Accounts return.

Our audit will also include the mandatory procedures that we are required to perform in accordance with applicable laws and auditing standards.

When planning the audit we take into account several key inputs:

- ▶ strategic, operational and financial risks relevant to the financial statements;
- ▶ developments in financial reporting and auditing standards;
- ▶ the quality of systems and processes;
- ▶ changes in the business and regulatory environment; and
- ▶ management's views on all of the above.

By considering these inputs, our audit is focused on the areas that matter and our feedback is more likely to be relevant to the Council

We will provide an update to the Governance and Audit Committee on the results of our work in these areas in our report to those charged with governance scheduled for delivery in September 2016.

2. Financial statement risks

We outline below our current assessment of the financial statement risks facing the Council, identified through our knowledge of the Council's operations and discussion with those charged with governance and officers.

At our meeting, we will seek to validate these with you.

Significant risk	Our response
Risk of management override	
<p>As identified in ISA (UK and Ireland) 240, management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records directly or indirectly and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p>We identify and respond to this fraud risk on every audit engagement.</p>	<p>Our approach will focus on:</p> <ul style="list-style-type: none"> ▶ testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements; ▶ reviewing accounting estimates for evidence of management bias, and ▶ evaluating the business rationale for significant unusual transactions.
Valuation of property, plant and equipment (PPE)	
<p>Valuation of property assets and capital expenditure are significant accounting estimates that have a material impact on the financial statements.</p> <p>The Council continues to engage Wilks Head and Eve to carry out the valuation of property, plant and equipment (PPE) assets. The use of external valuers could result in a change in estimation methodology and measurement, which may lead to material changes in asset valuations.</p> <p>To mitigate the risk, the Council will apply in-house expertise to land valuation, depreciation and any impairment reviews.</p>	<p>Our approach will focus on:</p> <ul style="list-style-type: none"> ▶ reviewing the Council's instructions to the valuer and assessing the reasonableness of the valuation assumptions and methodology. We may draw on expertise from our internal experts, EY Estates, if required; ▶ reviewing the proposed accounting entries and disclosures in the 2015/16 financial statements.
Better care fund (BCF) accounting	
<p>From 1 April 2015 BCF has been set up as a pooled budget between the Council and its NHS partners using powers available under pre-existing legislation. The partners use the pooled fund to jointly commission or deliver health and social care services at a local level.</p> <p>Local BCF arrangements may be complex and varied, involving a number of different commissioning, governance and accounting arrangements that raise risks of misunderstanding, inconsistencies and confusion between the partners. There are also structural, cultural and regulatory differences between local government and the NHS, and it is important that these are understood and considered by all of the partners in the operation of the pool.</p> <p>Proper disclosure of the nature of all of these arrangements is important together with the accounting and disclosure implications arising from them in the Council's accounts. The risk is also increased when the audit arrangements are different between the CCGs and local government</p>	<p>Our approach will focus on:</p> <ul style="list-style-type: none"> ▶ developing our understanding of the contractual and operational arrangements; and ▶ gaining an understanding of the proposed accounting treatment and ensuring this is properly disclosed in your financial statements.

Other financial statement risks

Our response

NDR Appeals Provision

Due to significant uncertainty surrounding the outcome of the NNDR appeals in progress, there is a risk that the provision recognised in the accounts might be inappropriate and measured at an incorrect amount. While the risk of appeal is inherent to all business rate payers, it is particularly so where appeals are anticipated from large companies such as Vodafone.

Our approach will focus on:

- ▶ gaining an understanding and assessing the reasonableness of the council’s methodology in estimating and planned provision in respect of rateable value appeals outstanding at the balance sheet date;
- ▶ considering both the completeness and accuracy of the data on the number of appeals outstanding and the basis for the assumption made by the Council on the likelihood of success; and
- ▶ reviewing and relying on the work of any experts appointed by management to assist in this process.

Respective responsibilities in relation to fraud and error

We would like to take this opportunity to remind you that management has the primary responsibility to prevent and detect fraud. It is important that management, with the oversight of those charged with governance, has a culture of ethical behaviour and a strong control environment that both deters and prevents fraud.

Our responsibility is to plan and perform audits to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatements whether caused by error or fraud. As auditors, we approach each engagement with a questioning mind that accepts the possibility that a material misstatement due to fraud could occur, and design the appropriate procedures to consider such risk.

Based on the requirements of auditing standards our approach will focus on:

- ▶ identifying fraud risks during the planning stages;
- ▶ enquiry of management about risks of fraud and the controls to address those risks;
- ▶ understanding the oversight given by those charged with governance of management’s processes over fraud;
- ▶ consideration of the effectiveness of management’s controls designed to address the risk of fraud;
- ▶ determining an appropriate strategy to address any identified risks of fraud; and
- ▶ performing mandatory procedures regardless of specifically identified risks.

3. Economy, efficiency and effectiveness

We are required to consider whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness on its use of resources. For 2015/16 this is based on the overall evaluation criterion:

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

Proper arrangements are defined by statutory guidance issued by the National Audit Office. They comprise your arrangements to:

- take informed decisions;
- deploy resources in a sustainable manner; and
- work with partners and other third parties.

In considering your proper arrangements, we will draw on the requirements of the CIPFA/SOLACE framework for local government to ensure that our assessment is made against a framework that you are already required to have in place and to report on through documents such as your annual governance statement.

We are only required to determine whether there are any risks that we consider significant, which the Code of Audit Practice which defines as:

“A matter is significant if, in the auditor’s professional view, it is reasonable to conclude that the matter would be of interest to the audited body or the wider public”

Our risk assessment supports the planning of sufficient work to enable us to deliver a safe conclusion on arrangements to secure value for money and enables us to determine the nature and extent of further work that may be required. If we do not identify any significant risks there is no requirement to carry out further work.

Our risk assessment has therefore considered both the potential financial impact of the issues we have identified, and also the likelihood that the issue will be of interest to local taxpayers, the Government and other stakeholders. We have identified the following risk which we view as relevant to our value for money conclusion.

Significant risk	Our response
Delivering the savings required	
<p>The impact of continuing reductions in funding from central government is an ongoing challenge for the Council, and a funding gap of £11.6 million has been identified for the financial year 2016/17.</p> <p>As at March 2016 the Council has plans to fully mitigate the gap through the use of £5.1 million general fund reserves, a 3.99% Council Tax increase and further savings, some of which have been identified through the Council’s transformation Board.</p> <p>However, there remains an inherent significant risk in relation to the Council’s ability to realise the savings required. Furthermore, the Council does not currently have a medium term financial plan to support the years beyond 2016/17 and this is work in progress as at March 2016.</p>	<p>Our approach will focus on:</p> <ul style="list-style-type: none"> ▶ Updating our understanding of how the Council has identified the required savings; ▶ Reviewing the details of savings plans for 2016/17; and ▶ Reviewing the medium term financial strategy when available for details on medium term savings requirements.

4. Our audit process and strategy

4.1 Objective and scope of our audit

Under the Code of Audit Practice our principal objectives are to review and report on the Council's:

- ▶ financial statements; and
- ▶ arrangements for securing economy, efficiency and effectiveness in its use of resources to the extent required by the relevant legislation and the requirements of the Code.

We issue an audit report that covers:

i **Financial statement audit and regularity audit**

Our objective is to form an opinion on the financial statements under International Standards on Auditing (UK and Ireland).

We report to you by exception in respect of your governance statement, and other accompanying material as required, in accordance with relevant guidance prepared by the NAO on behalf of the Comptroller and Auditor General.

Alongside our audit report, we also review and report to the NAO on the Whole of Government Accounts return to the extent and in the form they require.

ii **Arrangements for securing economy, efficiency and effectiveness**

We are required to consider whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness on its use of resources.

4.2 Audit process overview

Processes

We are not planning to rely on testing of key controls and will take a fully substantive approach to the audit as we believe this is the most efficient approach.

Analytics

We will use our computer-based analytics tools to enable us to capture whole populations of your financial data, in particular journal entries. These tools:

- ▶ help identify specific exceptions and anomalies which can then be subject to more traditional substantive audit tests; and
- ▶ give greater likelihood of identifying errors than random sampling techniques.

We will report the findings from our process and analytics work, including any significant weaknesses or inefficiencies identified and recommendations for improvement, to management and the Governance and Audit Committee.

Internal audit

We will review internal audit plans and the results of their work. We will reflect the findings from these reports, together with reports from any other work completed in the year, in our reporting where we raise issues that could have an impact on the year-end financial statements.

Use of experts

When auditing key judgements, we are often required to rely on the input and advice provided by specialists who have qualifications and expertise not possessed by the core audit team. The areas where either EY or third party specialists provide input for the current year audit are:

Area	Specialists
Property, Plant and Equipment	Council's valuer and, if required, EY valuations team
Pensions	Pension fund's actuary and EY pensions team

In accordance with auditing standards, we will evaluate each specialist's professional competence and objectivity, considering their qualifications, experience and available resources, together with the independence of the individuals performing the work.

We also consider the work performed by the specialist in light of our knowledge of the Council's environment and processes and our assessment of audit risk in the particular area. For example, we would typically perform the following procedures:

- ▶ analyse source data and make inquiries as to the procedures used by the expert to establish whether the source data is relevant and reliable;
- ▶ assess the reasonableness of the assumptions and methods used;
- ▶ consider the appropriateness of the timing of when the specialist carried out the work; and
- ▶ assess whether the substance of the specialist's findings are properly reflected in the financial statements.

Mandatory procedures required by auditing standards

As well as the financial statement risks outlined in section three, we must perform other procedures as required by auditing, ethical and independence standards, the Code and other regulations. We outline below the procedures we will undertake during the course of our audit.

Procedures required by standards

- ▶ addressing the risk of fraud and error;
- ▶ significant disclosures included in the financial statements;
- ▶ entity-wide controls;
- ▶ reading other information contained in the financial statements and reporting whether it is inconsistent with our understanding and the financial statements; and
- ▶ auditor independence.

Procedures required by the Code

- ▶ Reviewing, and reporting on as appropriate, other information published with the financial statements, including the Governance Statement.
- ▶ Reviewing and reporting on the Whole of Government Accounts return, in line with the instructions issued by the NAO.

- ▶ Satisfying ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Finally, we are also required to discharge our statutory duties and responsibilities as established by the Local Audit and Accountability Act 2014.

4.3 Materiality

For the purposes of determining whether the financial statements are free from material error, we define materiality as the magnitude of an omission or misstatement that, individually or in aggregate, could reasonably be expected to influence the users of the financial statements. Our evaluation requires professional judgement and so takes into account qualitative as well as quantitative considerations implied in the definition.

We have determined the proposed overall materiality for the financial statements of the Council is £5,982,280 based on 2% of gross expenditure. We will communicate uncorrected audit misstatements greater than £299,000 to you. The amount we consider material at the end of the audit may differ from our initial determination. At this stage, however, it is not feasible to anticipate all the circumstances that might ultimately influence our judgement. At the end of the audit we will form our final opinion by reference to all matters that could be significant to users of the financial statements, including the total effect of any audit misstatements, and our evaluation of materiality at that date.

4.4 Fees

The duty to prescribe fees is a statutory function delegated to Public Sector Audit Appointments Ltd (PSAA) by the Secretary of State for Communities and Local Government. PSAA has published a scale fee for all relevant bodies. This is defined as the fee required by auditors to meet statutory responsibilities under the Local Audit and Accountability Act 2014 in accordance with the NAO Code. The indicative fee scale for the audit of Bracknell Forest Council is £104,726 with an estimated fee of £25,075 for the certification of the housing benefit subsidy claim.

4.5 Your audit team

The engagement team is led by Helen Thompson, who has significant experience in auditing local government clients. She is supported by Malcolm Haines as manager, who is responsible for the day-to-day direction of audit work and is the key point of contact for the Chief Accountant.

4.6 Timetable of communication, deliverables and insights

We have set out below a timetable showing the key stages of the audit, including the VFM work and the Whole of Government Accounts. The timetable includes the deliverables we have agreed to provide to the Council through the Governance and Audit Committee's cycle in 2015/16. These dates are determined to ensure our alignment with PSAA's rolling calendar of deadlines.

From time to time matters may arise that require immediate communication with the Governance and Audit Committee and we will discuss them with the Chairman as appropriate.

Following the conclusion of our audit we will prepare an Annual Audit Letter to communicate the key issues arising from our work to the Council and external stakeholders, including members of the public.

Audit phase	Timetable	Governance and Audit Committee timetable	Deliverables
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High level planning	April 2015	April 2015	Audit Fee letter Progress Report
Risk assessment and setting of scopes	December 2015	March 2016	Audit Plan
Testing routine processes and controls	February-March 2016	March 2016	Audit Plan
Year-end audit	July-August 2016		
Completion of audit	August 2016	September 2016	Report to those charged with governance via the Audit Results Report Audit report (including our opinion on the financial statements; and, overall value for money conclusion). Audit completion certificate Reporting to the NAO on the Whole of Government Accounts return.
Conclusion of reporting	By 31 October 2016	January 2016	Annual Audit Letter

In addition to the above formal reporting and deliverables we will seek to provide practical business insights and updates on regulatory matters.

5. Independence

5.1 Introduction

The APB Ethical Standards and ISA (UK and Ireland) 260 ‘Communication of audit matters with those charged with governance’, requires us to communicate with you on a timely basis on all significant facts and matters that bear on our independence and objectivity. The Ethical Standards, as revised in December 2010, require that we do this formally both at the planning stage and at the conclusion of the audit, as well as during the audit if appropriate. The aim of these communications is to ensure full and fair disclosure by us to those charged with your governance on matters in which you have an interest.

Required communications	
Planning stage	Final stage
<ul style="list-style-type: none"> ▶ The principal threats, if any, to objectivity and independence identified by EY including consideration of all relationships between you, your affiliates and directors and us. ▶ The safeguards adopted and the reasons why they are considered to be effective, including any Engagement Quality Review. ▶ The overall assessment of threats and safeguards. ▶ Information about the general policies and process within EY to maintain objectivity and independence. 	<ul style="list-style-type: none"> ▶ A written disclosure of relationships (including the provision of non-audit services) that bear on our objectivity and independence, the threats to our independence that these create, any safeguards that we have put in place and why they address such threats, together with any other information necessary to enable our objectivity and independence to be assessed. ▶ Details of non-audit services provided and the fees charged in relation thereto. ▶ Written confirmation that we are independent. ▶ Details of any inconsistencies between APB Ethical Standards, the Audit Commission’s Standing Guidance and your policy for the supply of non-audit services by EY and any apparent breach of that policy. ▶ An opportunity to discuss auditor independence issues.

During the course of the audit we must also communicate with you whenever any significant judgements are made about threats to objectivity and independence and the appropriateness of our safeguards, for example when accepting an engagement to provide non-audit services.

We also provide information on any contingent fee arrangements, the amounts of any future contracted services, and details of any written proposal to provide non-audit services.

We ensure that the total amount of fees that EY and our network firms have charged to you and your affiliates for the provision of services during the reporting period are disclosed; analysed in appropriate categories.

5.2 Relationships, services and related threats and safeguards

We highlight the following significant facts and matters that may be reasonably considered to bear upon our objectivity and independence, including any principal threats. However, we have adopted the safeguards below to mitigate these threats along with the reasons why they are considered to be effective.

Self-interest threats

A self-interest threat arises when EY has financial or other interests in your entity. Examples include where we have an investment in your entity; where we receive significant fees in respect of non-audit services; where we need to recover long outstanding fees; or where we enter into a business relationship with the Council.

At the time of writing, there are no long outstanding fees.

We believe that it is appropriate for us to undertake permissible non-audit services, and we will comply with the policies that the Council has approved and that are in compliance with the Audit Commission's Standing Guidance.

A self-interest threat may also arise if members of our audit engagement team have objectives or are rewarded in relation to sales of non-audit services to the Council. We confirm that no member of our audit engagement team, including those from other service lines, is in this position, in compliance with Ethical Standard 4.

There are no other self-interest threats at the date of this report.

Self-review threats

Self-review threats arise when the results of a non-audit service performed by EY or others within the EY network are reflected in the amounts included or disclosed in the financial statements.

There are no other self-review threats at the date of this report.

Management threats

Partners and employees of EY are prohibited from taking decisions on behalf of management of your entity. Management threats may also arise during the provision of a non-audit service where management is required to make judgements or decisions based on that work.

There are no management threats at the date of this report.

Other threats

Other threats, such as advocacy, familiarity or intimidation, may arise.

There are no other threats at the date of this report.

Non audit services provided in 2015/16

We have provided advice concerning the VAT aspects of the Binfield Learning Village development on the site of Blue Mountain Golf Course. The initial fee of £2,500 was charged in 2014/15 with a further amount, expected to be less than £10,000, incurred during 2015/16. We assessed this proposal against the potential threats set out above and concluded there were no threats, and appropriate safeguards had been put in place.

Overall Assessment

Overall we consider that the adopted safeguards appropriately mitigate the principal threats identified, and we therefore confirm that EY is independent and the objectivity and independence of Helen Thompson, the audit engagement Director and the audit engagement team have not been compromised.

5.3 Other required communications

EY has policies and procedures that instil professional values as part of firm culture and ensure that the highest standards of objectivity, independence and integrity are maintained.

Details of the key policies and processes within EY for maintaining objectivity and independence can be found in our annual Transparency Report, which the firm is required to publish by law. The most recent version of this report is for the year ended June 2015 and can be found here:

<http://www.ey.com/UK/en/About-us/EY-UK-Transparency-Report-2015>

Appendix A Fees

A breakdown of our agreed fee is shown below.

	Planned Fee 2015/16 £	Scale fee 2015/16 £	Outturn fee 2014/15 £	Explanation
Opinion Audit and VFM Conclusion	£104,726	£104,726	£139,634	The year-on-year variance is explained by further scale reductions applied after the closure of the Audit Commission on 31 st March 2015.
Total Audit Fee – Code work	£104,726	£104,726	£139,634	
Certification of claims and returns ¹	£25,075	£25,075	33,433	
Non-audit work	<£10,000	0	£2,500	Advice on VAT aspects of the Binfield Learning Village. The initial fee of £2,500 was charged in 2014/15 with a further amount, expected to be less than £10,000, incurred during 2015/16.

All fees exclude VAT.

The agreed fee presented above is based on the following assumptions:

- ▶ officers meet the agreed timetable of deliverables;
- ▶ we can rely on the work of internal audit as planned;
- ▶ the NAO making no significant changes to the use of resources criteria on which our conclusion will be based;
- ▶ our accounts opinion and use of resources conclusion are unqualified;
- ▶ appropriate quality of documentation is provided by the Council; and
- ▶ the Council has an effective control environment.

If any of the above assumptions prove to be unfounded, we will seek a variation to the agreed fee. This will be discussed with the Council in advance.

Fees for the auditor's consideration of correspondence from the public and formal objections will be charged in addition to the scale fee.

¹ Our fee for the certification of grant claims is based on the indicative scale fee set by the Audit Commission.

Appendix B UK required communications with those charged with governance

There are certain communications that we must provide to the Governance and Audit Committee. These are detailed here:

Required communication	Reference
<p>Planning and audit approach Communication of the planned scope and timing of the audit including any limitations.</p>	▶ Audit Plan
<p>Significant findings from the audit</p> <ul style="list-style-type: none"> ▶ Our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures ▶ Significant difficulties, if any, encountered during the audit ▶ Significant matters, if any, arising from the audit that were discussed with management ▶ Written representations that we are seeking ▶ Expected modifications to the audit report ▶ Other matters if any, significant to the oversight of the financial reporting process 	▶ Report to those charged with governance
<p>Misstatements</p> <ul style="list-style-type: none"> ▶ Uncorrected misstatements and their effect on our audit opinion ▶ The effect of uncorrected misstatements related to prior periods ▶ A request that any uncorrected misstatement be corrected ▶ In writing, corrected misstatements that are significant 	▶ Report to those charged with governance
<p>Fraud</p> <ul style="list-style-type: none"> ▶ Enquiries of the Governance and Audit Committee to determine whether they have knowledge of any actual, suspected or alleged fraud affecting the entity ▶ Any fraud that we have identified or information we have obtained that indicates that a fraud may exist ▶ A discussion of any other matters related to fraud 	▶ Report to those charged with governance
<p>Related parties Significant matters arising during the audit in connection with the entity's related parties including, when applicable:</p> <ul style="list-style-type: none"> ▶ Non-disclosure by management ▶ Inappropriate authorisation and approval of transactions ▶ Disagreement over disclosures ▶ Non-compliance with laws and regulations ▶ Difficulty in identifying the party that ultimately controls the entity 	▶ Report to those charged with governance
<p>External confirmations</p> <ul style="list-style-type: none"> ▶ Management's refusal for us to request confirmations ▶ Inability to obtain relevant and reliable audit evidence from other procedures 	▶ Report to those charged with governance
<p>Consideration of laws and regulations</p> <ul style="list-style-type: none"> ▶ Audit findings regarding non-compliance where the non-compliance is material and believed to be intentional. This communication is subject to compliance with legislation on tipping off ▶ Enquiry of the Governance and Audit Committee into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements and that the Governance and Audit Committee may be aware of 	▶ Report to those charged with governance

Required communication	Reference
<p>Independence</p> <p>Communication of all significant facts and matters that bear on EY's objectivity and independence</p> <p>Communication of key elements of the audit engagement director's consideration of independence and objectivity such as:</p> <ul style="list-style-type: none"> ▶ The principal threats ▶ Safeguards adopted and their effectiveness ▶ An overall assessment of threats and safeguards ▶ Information about the general policies and process within the firm to maintain objectivity and independence 	<ul style="list-style-type: none"> ▶ Audit Plan ▶ Report to those charged with governance
<p>Going concern</p> <p>Events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern, including:</p> <ul style="list-style-type: none"> ▶ Whether the events or conditions constitute a material uncertainty ▶ Whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements ▶ The adequacy of related disclosures in the financial statements 	<ul style="list-style-type: none"> ▶ Report to those charged with governance
<p>Significant deficiencies in internal controls identified during the audit</p>	<ul style="list-style-type: none"> ▶ Report to those charged with governance
<p>Fee Information</p> <ul style="list-style-type: none"> ▶ Breakdown of fee information at the agreement of the initial audit plan ▶ Breakdown of fee information at the completion of the audit 	<ul style="list-style-type: none"> ▶ Audit Plan ▶ Report to those charged with governance ▶ Annual Audit Letter if considered necessary
<p>Opening Balances</p> <ul style="list-style-type: none"> ▶ Findings and issues regarding the opening balance of initial audits 	<p>Report to those charged with governance</p>
<p>Certification work</p> <ul style="list-style-type: none"> ▶ Summary of certification work undertaken 	<p>Annual Report to those charged with governance summarising grant certification.</p>

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**TO: GOVERNANCE AND AUDIT COMMITTEE
30TH MARCH 2016**

**INTERNAL AUDIT PLAN 2016/17
(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 2016/17.

2 RECOMMENDATION

- 2.1 **That the Governance and Audit Committee approve the Internal Audit Plan for 2016/17 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 2015. The latter states that authorities must "undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance." The Council delegates its statutory responsibilities for the provision of the internal audit service under the Accounts and Audit (England) Regulations 2015 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 risk management and governance processes;
- 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 place reliance on Internal Audit's work to inform their planning, 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. In addition, a number of days have been targeted for proactive Counter Fraud work during 2016/17.

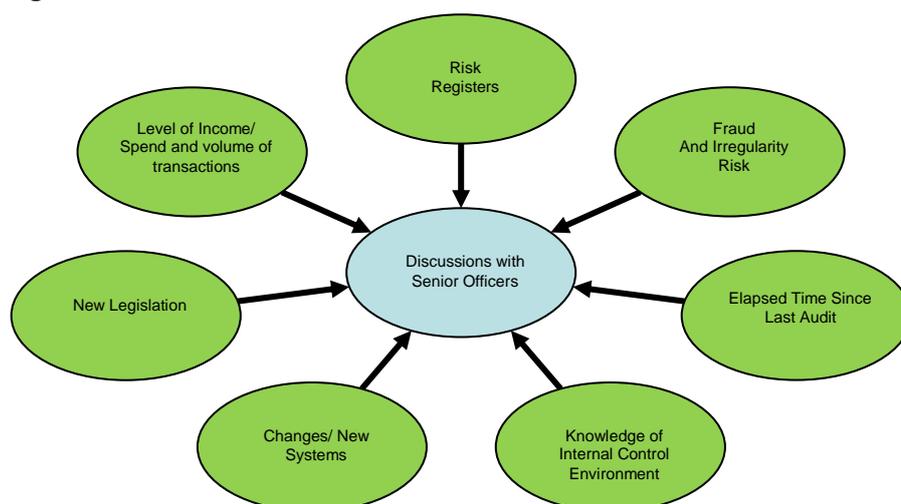
Development of the Annual Internal Audit Plan

- 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 optimum use of audit resources.
- 5.6 The process begins with listing audits that have been given a limited assurance opinion in the previous 12 months as our procedure is to re-audit these in the following year and grants requiring audit sign off as a condition of funding. Expenditure and income streams in each directorate are then reviewed to identify those areas of highest value. Directorate risk registers are used to identify significant risk areas. Key IT systems particularly those with direct financial and financial reporting impact are identified. Minutes are reviewed to identify potential changes such as upgrades or new IT systems.
- 5.7 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 into 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. In addition for 2016/17, to address potential fraud risks that are often common to all local authorities, a number of areas have been identified for potential counter fraud work.
- 5.8 Heads of Internal Audit are required to give an opinion on the effectiveness of governance and risk management arrangements. Specific coverage on project risk management will be covered in 2016/17 under the audit of major projects. Contract

risks will be looked at as part of the procurement audits that are included in the 2016/17 Plan.

- 5.9 Having identified these potential areas for audit focus these are then listed and plotted against audit coverage over the last few years to establish a preliminary view of where audit resources might be directed for the forthcoming year. This is then discussed at one to one meetings with officers. This is a vital element of the methodology for developing the plan. Discussions are held with the Chief Executive, Borough Treasurer, Directors, Chief Officers, Group Accountants and IT officers. These 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, seek input officers on the areas that would benefit from audit review and ensure proposed audits cover all major risks and areas of concern that could impact on delivery of the Council's strategic themes.

Figure 1



- 5.10 The proposed 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.
- 5.11 The plan at Appendix 1 of audits indicates where the audit relates to a key financial system or is included to provide assurance on governance, risk management or address the risk of fraud (probity).

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. Mazars LLP, who have been our main provider since 2012, are expected to deliver approximately two thirds of the 2016/17 general internal audit reviews. Whilst a small proportion of general audits are carried out in-house, the bulk of the remaining one third of the Annual Internal Audit Plan audits will be undertaken by in-house Internal Audit Teams at Wokingham Borough Council, Royal Borough of Windsor and Maidenhead and Reading Borough Council via an agreement under a S113 of the Local Government Act 1972 which permits

local authorities to provide staffing resources to other authorities. IT audit will be delivered by TIAA under a contract commencing on 1st April 2016.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 There are no specific legal implications arising from this report

Borough Treasurer

- 6.2 The internal audit plan provides the foundation for internal audit activity during 2016/17, ensuring compliance with the relevant legislation. A budget of £180,920 has been included in the Council's financial plans for 2016/17 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 (Mazars).

Method of Consultation

- 7.2 The development of the Annual Internal Audit Plan for 2016/17 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, chief officers and Group Accountants 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

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SUMMARY OF ANNUAL INTERNAL AUDIT PLAN 2016/17

AUDIT	DAYS BY QUARTER				TOTAL DAYS
	Q1	Q2	Q3	Q4	
COUNCIL WIDE AUDITS	25	30	19	0	74
CORPORATE SERVICES	26	19	75	12	132
ENVIRONMENT CULTURE AND COMMUNITIES	22	31	39	13	105
CHILDREN, YOUNG PEOPLE AND LEARNING	54	27	56	41	178
ADULT SOCIAL CARE, HEALTH AND HOUSING	25	24	34	13	96
TOTAL	152	131	223	79	585

COUNCIL WIDE AUDITS

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Key Fin System	Link to Strategic Risk	Probity	Governance
COUNCIL WIDE									
Council wide procurement - waivers	7	0	0	7	0	✓	✓	✓	✓
Officer expenses	5	5	0	0	0			✓	✓
Budget savings	10	10	0	0	0		✓	✓	✓
Transformation Programme Governance Arrangements	10	0	10	0	0		✓	✓	✓
Business Continuity	10	10	0	0	0	✓	✓	✓	✓
Assurance Framework	10	0	10	0	0	✓	✓	✓	✓
COUNTER FRAUD									
Declarations of Interest (Fraudit)	10	0	10	0	0			✓	✓
Counter Fraud Contingency	12	0	0	12	0			✓	✓
TOTAL COUNCIL WIDE AUDITS	74	25	30	19	0				

CORPORATE SERVICES

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Key Fin System	Link to Strategic Risk	Probity	Governance
Creditors	10	0	0	10	0	✓	✓	✓	✓
Debtors	8	0	0	8	0	✓	✓	✓	✓
Payroll and pre	15	0	0	15	0	✓	✓	✓	✓

Unrestricted

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Key Fin System	Link to Strategic Risk	Probity	Governance
employment checks									
Construction and Maintenance	7	7	0	0	0		✓	✓	
Cash Management	10	0	0	10	0	✓	✓	✓	✓
Council Tax	10	0	0	10	0	✓	✓	✓	✓
Business Rates	10	0	0	10	0	✓	✓	✓	✓
IT AUDIT							✓		✓
Disaster recovery	7	0	0	7	0				
Back ups	5	0	5	0	0		✓		✓
CRM -	7	7	0	0	0				✓
AGRESSO upgrade	7	0	0	0	7	✓	✓	✓	✓
IT audit contingency	14	7	7	0	0	✓	✓	✓	✓
CONTINGENCY	20	5	5	5	5	✓	✓	✓	✓
FOLLOW UP	2	0	2	0	0	✓	✓	✓	✓
TOTAL CORPORATE SERVICES	132	26	19	75	12				

ENVIRONMENT CULTURE AND COMMUNITIES

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Key Fin System	Link to Strategic Risk	Probity	Governance
Finance operations	5	0	0	5	0	✓	✓	✓	✓
Coral Reef Project	10	0	0	0	10		✓	✓	✓
Downshire Golf	7	0	0	7	0			✓	✓
Easthampstead Park Conference Centre	7	0	0	7	0			✓	✓
South Hill Park	5	0	5	0	0			✓	✓
Parks and Countryside	7	0	0	7	0			✓	
Tree Services	1	0	1	0	0			✓	
Highways Adoptions	10	0	10	0	0	✓			
Transport Balance Sheet Valuation	5	5	0	0	0	✓			
New Chapel project	5	0	5	0	0		✓	✓	✓
LED works	7	7	0	0	0		✓	✓	✓
Highways Balance Sheet Valuation	10	10	0	0	0	✓			
Waste Collection	7	0	0	7	0				
IT AUDITS						✓			
CONFIRM	6	0	0	6	0				
GRANTS	1	0	1	0	0			✓	✓
Bus Service Operators Grant									
Integrated Transport Block Allocation	3	0	3	0	0			✓	✓
Highways Maintenance Funding	3	0	3	0	0			✓	✓
Disabled Facilities Grant	1	0	1	0	0			✓	✓
FOLLOW UP	2	0	2	0	0	✓	✓	✓	✓
COUNTER FRAUD	3	0	0	0	3			✓	✓
Leisure Cash Spot Checks									
ECC TOTAL	105	22	31	39	13				

CHILDREN, YOUNG PEOPLE AND LEARNING

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Key Fin System	Link to Strategic Risk	Probity	Governance
Binfield Learning Village	10	0	0	0	10		✓	✓	✓
Pupil Places	7	0	7	0	0				
Early years	7	0	7	0	0			✓	✓
Info Security in Schools – Follow Up	5	0	0	5	0		✓	✓	✓
Procurement in Schools	20	20	0	0	0	✓	✓	✓	✓
Ascot Heath Infant	4	4	0	0	0	✓	✓	✓	✓
College Hall Pupil Referral Unit	4	4	0	0	0	✓	✓	✓	✓
Crowthorne CE Primary	4	4	0	0	0	✓	✓	✓	✓
Easthampstead Park Secondary	6	0	0	6	0	✓	✓	✓	✓
Great Hollands Primary	4	0	0	4	0	✓	✓	✓	✓
Jennett's' Park (Ltd 15/16)	4	0	0	4	0	✓	✓	✓	✓
Kennel Lane Special School (Ltd 15/16)	6	0	0	6	0	✓	✓	✓	✓
Meadow Vale Primary	4	4	0	0	0	✓	✓	✓	✓
New Scotland Hill	4	0	0	0	4	✓	✓	✓	✓
Pines Primary (Ltd 15/16)	4	0	0	4	0	✓	✓	✓	✓
Sandhurst Secondary	6	0	0	6	0	✓	✓	✓	✓
Sandy Lane Primary (Ltd 15/16)	4	0	0	0	4	✓	✓	✓	✓
St Michael's E'hampstead CE Prim (Ltd 15/16)	4	0	0	4	0	✓	✓	✓	✓
Uplands Primary	4	4	0	0	0	✓	✓	✓	✓
Whitegrove Primary	4	0	0	0	4	✓	✓	✓	✓
Wildridings Primary	4	0	0	0	4	✓	✓	✓	✓
Winkfield St Mary's	4	4	0	0	0				
School Contingency	6	0	0	0	6	✓	✓	✓	✓
SEND	7	0	0	7	0		✓	✓	✓
Education Psychology	5	0	5	0	0				
NEET Reduction	5	5	0	0	0				
Residential placements	7	0	0	7	0		✓	✓	
Recruitment and Retention	7	0	7	0	0		✓	✓	✓
IT AUDITS									
Mosaic	6	0	0	0	6		✓		✓
GRANTS									
Troubled Families	10	4	0	3	3				✓
FOLLOW UP									
CYPL TOTAL	178	54	27	56	41				

ADULT SOCIAL CARE, HEALTH AND HOUSING

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Key Fin System	Link to Strategic Risk	Probity	Governance
Better Care Fund-	7	0	7	0	0		✓	✓	✓
CONTROCC	5	0	0	0	5	✓	✓	✓	✓
Financial Assessments and Benefits Checks	7	0	7	0	0		✓	✓	✓

Unrestricted

AUDIT	Days	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Key Fin System	Link to Strategic Risk	Probity	Governance
Bridgewell Unit	7	0	0	7	0		✓	✓	✓
Reablement and Hospital Discharge	7	0	0	7	0		✓		
Learning Disability	7	0	0	0	7		✓	✓	
Learning Disability Provider service at Waymead including Breakthrough	7	7	0	0	0		✓		
Housing and Council Tax Benefits	15	0	0	15	0	✓		✓	✓
Homelessness	7	7	0	0	0		✓	✓	✓
Supporting people	5	0	5	0	0			✓	✓
Discretionary Housing Payments and Social Fund Payments	5	0	0	5	0			✓	✓
IT AUDIT Abtias upgrade	5	5	0	0	0	✓			
FOLLOW UP AUDITS	2	1	0	0	1		✓	✓	✓
COUNTER FRAUD Fraud awareness training (Fraudit)	5	5	0	0	0		✓	✓	✓
Counter fraud contingency	5	0	5	0	0		✓	✓	✓
ASCHH TOTAL	96	25	24	34	13				

APPENDIX 2

Strategic Risk	Risk Rating	Proposed Audit(s) to Address Risk
Maintaining satisfactory service standards within a balanced budget.	Red	<ul style="list-style-type: none"> ➤ Key financial system audits ➤ Budget savings ➤ Leisure sites ➤ Better Care Fund ➤ Homelessness ➤ Procurement audits
Council unable to predict and plan for future changes in demands for services arising from demographic changes and national policy initiatives.	Amber	<ul style="list-style-type: none"> ➤ School Places ➤ SEN ➤ Learning Disability
Loss of key senior staff. Managing services with reduced capacity	Amber	<ul style="list-style-type: none"> ➤ Payroll and pre-employment checks ➤ Recruitment and retention in CYPL
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"> ➤ IT application audits ➤ Back-ups ➤ Disaster recovery
Council unable to comply with data protection/security requirements to secure data resulting in inappropriate disclosure, loss or theft of sensitive data.	Amber	<ul style="list-style-type: none"> ➤ Information security in schools
Council unable to implement major projects.	Amber	<ul style="list-style-type: none"> ➤ Major project audits
Business Continuity Plans and procedures inadequate or not clearly communicated and understood.	Amber	<ul style="list-style-type: none"> ➤ Business continuity
Factors outside the control of the Council may result in the injury, death or sexual exploitation 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"> ➤ Learning disability audits ➤ Bridgewell ➤ SEND ➤ Residential placements ➤ Education psychology
Council unable to maintain buildings/highways in accordance with health and safety and other legislative standards. .	Amber	<ul style="list-style-type: none"> ➤ Grant certification ➤ Construction and maintenance
Council unable to work effectively with key partners or involve residents in the development of our services.	Green	<ul style="list-style-type: none"> ➤ Transformation programme ➤ Major projects audits ➤ Procurement audits
Failure to effectively promote the economic activity in the Borough.	Green	<ul style="list-style-type: none"> ➤ Low risk therefore no audit resources applied
Council unable to implement legislative changes. Legal challenge on decisions relating to levels of service provision.	Amber	<ul style="list-style-type: none"> ➤ Better Care Fund ➤ SEND ➤ Procurement audits
Delays in the Town Centre Regeneration project led by Bracknell Regeneration Partnership (BRP) working in partnership with Bracknell Forest Council. Failure of the Council to monitor and control their respective elements of the project.	Amber	<ul style="list-style-type: none"> ➤ Audited 15/16
Council unable to deliver the transformation programme.	Amber	<ul style="list-style-type: none"> ➤ Transformation programme
Council unable to prevent a cyber attack and/or respond effectively to sustain services.	Red	<ul style="list-style-type: none"> ➤ Disaster recovery ➤ Back-ups ➤ Business continuity

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**TO: GOVERNANCE AND AUDIT COMMITTEE
30TH MARCH 2016**

APPOINTMENT OF LOCAL EXTERNAL AUDITORS BOROUGH TREASURER

1 PURPOSE OF REPORT

- 1.1 To inform the Committee of the new arrangements for the appointment of local external auditors.

2 RECOMMENDATION

- 2.1 **The Committee reviews the options and endorses Option 1 as the preferred option.**

3 REASONS FOR RECOMMENDATION(S)

- 3.1 To put in place arrangements for procuring local external auditors.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 None

5 SUPPORTING INFORMATION

- 5.1 In August 2010 the then Secretary of State for Communities and Local Government, Eric Pickles, announced that he intended to close the Audit Commission and that organisations whose appointments were previously controlled by the Audit Commission should have the freedom to appoint their own external auditors. The Audit Commission closed on 31 March 2015. At that time contracts were already in place for local government and NHS external audit appointments that covered audits up to and including the financial year 2016/17. The current external auditors for Bracknell Forest are Ernst and Young (EY).

To cover the transition period, the Secretary of State for Communities and Local Government delegated statutory functions (from the Audit Commission Act 1998) to Public Sector Audit Appointments Ltd (PSAA) by way of a letter of delegation issued under powers contained in the Local Audit and Accountability Act 2014. PSAA was incorporated by the Local Government Association (LGA) in August 2014. PSAA is a company limited by guarantee without any share capital and is a subsidiary of the Improvement and Development Agency (IDeA) which is wholly owned by the LGA. PSAA is currently responsible for appointing auditors to local government, police and local NHS bodies, for setting audit fees and for making arrangements for the certification of housing benefit subsidy claims.

- 5.2 Following a consultation exercise with key stakeholder groups, the Government decided that for local government bodies the contracts will be extended by one year, so incorporating the audit of the 2017/18 financial year. In practice, this means that the Council must appoint their local auditors by 31 December 2017 so that the new auditors are in place by 1st April 2018. Councils will only be able to appoint an audit firm from a register of firms licensed by the registered supervisory bodies (under delegation from the Financial Reporting Council) to undertake 'local audit work' hence the market will be limited. This register is coming out shortly. However, as an indication, PSAA currently only contract with five audit firms for the delivery of public sector external audit.

5.3 There are broadly 2 routes the Council could go down. Firstly the Council could opt in to collective procurement arrangement established by the local government sector or secondly it could undertake its own procurement either opting to do this independently or jointly with other bodies. Should the Council wish to undertake its own procurement either jointly or independently, an Auditor Panel would need to be established to advise on

- the selection and appointment of the auditor;
- whether the authority should adopt a policy on obtaining non-audit services from the auditor, including the contents of such a policy;
- any proposal by the authority to enter into an agreement that limits the amount of a liability owed to a relevant authority by the auditor in respect of any negligence, default, breach of duty or breach of trust occurring in the course of the audit of accounts, of which the auditor may be guilty in relation to the authority.;
- maintaining an independent relationship with its auditor; and
- the outcome of any investigation of an auditor's resignation from office, if this occurs, or on any proposal to remove a local auditor from office.

The Panel's advice to the Authority must be published. The Local Audit (Auditor Panel) Regulations 2014 (the Auditor Panel Regulations) are clear that the minimum number of members for an Auditor Panel is three of which at least two must be considered independent

5.4 The options available to the Council are as follows:

Option 1

The Local Audit (Appointing Person) Regulations allows authorities to opt into collective procurement arrangements established by the local government sector. The Regulations set out the process for the Government to approve an organisation to act as a sector-led body taking on the role of "an appointing person" with the necessary powers and duties to act as a collective procurement body. The sector-led body has yet to be determined although PSAA is working with the LGA, IDeA Board and other stakeholders to explore the feasibility and viability of PSAA applying to be a sector-led body.

The Regulations set out the process by which authorities can choose to participate in the sector-led arrangements. Essentially, the appointed person must invite authorities to become opted in authorities. The authorities to whom the invitation is issued must then individually decide whether to accept the invitation. The decision to accept the invitation may only be accepted by the full council. If an authority accepts then, the appointment of the auditor is made by the appointing person.

Authorities that opt in and do not make their own appointment will not need to establish an independent Auditor Panel. Using Public Sector Audit Appointments as the Appointing Person is attractive as it removes a great deal of administration and arrangements that will need to be put in place and improves the effectiveness of procuring in what is a specialised activity area. The market for this service is very limited and at present, only the larger accounting firms have the experience and specialist staff to undertake the work. These firms would be much more likely to bid for work through a bigger procurement exercise rather than seek work from one or two authorities or even an area as large as Berkshire. A contract for the south east (as at present) would be more attractive and would potentially attract the right players and maintain economies of scale.

Option 2

Alternatively, the Council could form its own Auditor Panel and undertake its own procurement arrangements. This approach if replicated elsewhere, could lead to Panels in each authority in Berkshire, with associated administration and governance to create and maintain each Panel. Procurement would then be undertaken solely for this Council and the small size of the audit contract may not be attractive to or achieve best value from the bidders, who in reality are likely to be from the bigger accounting firms. This approach also raises the question as to whether there is an available and willing source of independent members across Berkshire to appoint to numerous Auditor Panels. The Panel will have limited responsibilities and in reality will meet infrequently and will be dealing with an area that is to some degree specific to local authorities.

Option 3

The Council could seek to form a joint auditor panel and a joint procurement arrangement with other authorities with a single Auditor Panel and single external audit contract for the entire area (however defined). This would aim to take advantage of better purchasing power and provide a more attractive offer for the external auditor bidders. This is particularly important as local authority audit is a specialised activity. The market for this service may develop, but we should not assume it will, and at present, only the larger accounting firms have the experience and specialist staff to undertake the work. These firms would be unlikely to seek work for one or two individual authorities and hence procurement could be problematic. A contract for Berkshire would be more attractive and would potentially maintain economies of scale. There may be some additional bureaucracy associated with creation and management of a joint Auditor Panel, although it would avoid the need for each body to source its own independent members. In reality the panel is unlikely to meet very often and the governance arrangements once established should be relatively easy to manage. This approach would require delegations from (or feasibly to) this Council from other Councils to form a lead authority for the appointment of the panel and for future governance and procurement purposes. There would also need to be joint arrangements in place to introduce and manage an allowance scheme for the Panel.

Option 4

The Council could have a hybrid of options 2 and 3. It could form its own Auditor Panel, but seek to procure jointly with one or more Berkshire authorities. This would allow the Council's own Auditor Panel to advise this Council, whilst benefiting from joint procurement as described above. However, all participating Councils in this arrangement would have to pass the same resolution which may cause difficulties if the different Panels gave conflicting advice. It also raises the same question of available and willing independent members as described above

Preferred Option

- 5.4 It would seem sensible to pursue Option 1. Whatever option is taken, the same limited number of firms will be the only permissible bidders for the work as this is a specialised service with few providers. Option 1 offers the greatest potential for economies of scale, securing auditors with the necessary experience to effectively audit the Council's accounts and minimising governance bureaucracy. If the Council approves this option, the Council will need to give notice to the Appointing Person of our decision to become an opted authority.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 As set out in the report the Local Audit and Accountability Act 2014 Act creates a legal framework enabling the Government to nominate a 'person' to act as a joint procurement body for local audit and to give that body the powers and duties to operate collective procurement arrangements. Such a body is required to appoint auditors to those local authorities which 'opt in' to the collective procurement arrangement. Any decision to opt in would be reserved to Full Council and not the Executive

Borough Treasurer

- 6.2 The Borough Treasurer recommends Option 1 on the grounds of efficiency and value for money.

Equalities Impact Assessment

- 6.3 Not applicable

Strategic Risk Management Issues

- 6.4 There is a risk costs may potentially rise if the procurement option chosen does not maximise economies of scale. There are also risks that authorities cannot attract sufficient independent individuals with relevant experience to sit on the Panels.

Other Officers

- 6.5 Not applicable

7 CONSULTATION

Principal Groups Consulted

- 7.1 Not applicable

Background Papers

CIPFA Guide to Auditor Panels

Contact for further information

Sally Hendrick, Head of Audit and Risk Management - 01344 352092

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**TO: COUNCIL
27 APRIL 2016**

**ANNUAL REVIEW OF CONSTITUTION
Director of Corporate Services –Borough Solicitor**

1 PURPOSE OF REPORT

1.1 The report recommends changes to the Constitution for approval by Council.

2 RECOMMENDATION(S)

2.1 It is **RECOMMENDED** that Full Council;

- i. **Adopt the proposed changes to the constitution set out in Appendices A, B and C**
- ii. **Authorise the Borough Solicitor to make any other minor editorial changes to the constitution.**

3 REASONS FOR RECOMMENDATIONS

3.1 Part 7 of the Constitution requires the Monitoring Officer to monitor and review the operation of the Constitution to ensure that its aims and principles are given full effect. Any changes considered necessary are subject to approval by Council.

4 ALTERNATIVE OPTIONS CONSIDERED

4.1 None. Section 37 of the Local Government Act 2000 requires the Council to keep its Constitution under review.

5 SUPPORTING INFORMATION

5.1 The Constitution is the Council’s primary document which sets out how the Council operates its decision making processes and is comprised of the following parts

Part 1	The Structure of the Council
Part 2	Responsibilities for Decisions
Part 3	Overview and Scrutiny
Part 4	The way in which the Council operates
Part 5	Citizens and the Council
Part 6	Members allowances
Part 7	Review, Revision, Suspension, Interpretation and Publication of the Constitution

- 5.2 The proposals in this report cover changes that have been suggested as part of an internal review process within the Council by officers as well as changes that have been brought about by legislation.
- 5.3 The changes that are proposed to be made to the constitution are shown in the remaining Appendices to this report. Where the titles of senior officers have changed or their posts have been subsumed, these minor textual changes have not been included but will be reflected in the online version of the constitution.
- 5.4 **Appendix A** relates to Part 2 of the constitution and sets out three new delegations to specified Chief Officers relating to Completion Notices, Community Protection Notices, Property Transactions and Neighbourhood Planning decisions
- 5.5 **Appendix B** relates to Part 4 of the Constitution and introduces new thresholds for procurement in the Council's Contract Standing Orders as well as some clarifications and corrections
- 5.6 **Appendix C** also covers Part 4 and introduces a formal process for dealing with Councillor Code of Conduct complaints and incorporates within the Code of Conduct itself a process for the granting of dispensations to Councillors who may be otherwise unable to participate in an item of business at a meeting due to the existence of a Disclosable Pecuniary Interest or an Affected Interest

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 arising from this report

Equalities Impact Assessment

- 6.3 With regard to Appendix C support will be offered to ensure that all complainants are able to understand and comply with the Councillor Complaints process, including providing support on completing the complaints form if required. This will mitigate any potential adverse impact on some older people, people with disabilities or people with English as a second language who may find it difficult to understand and comply with the process.

7 CONSULTATION

Principal Groups Consulted

- 7.1 Corporate Management Team, Standards Committee (Appendix C only), and Governance and Audit Committee

Background Papers

Unrestricted

Covering report titled "Standards Framework Update" presented to Standards Committee (29 February) and Governance and Audit Committee (30 March)

Contact for further information

Sanjay Prashar, Corporate Services - 01344 355607

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PROPOSED AMENDMENTS TO PART 2 – RESPONSIBILITY FOR DECISIONS

1. Authority to issue completion notices

- 1.1 The Local Government Act 1988 s46A and Schedule 4A of the Local Government Finance Act 1988 state that where it is considered that a commercial premises is structurally complete, or that the works remaining can reasonably expected to be completed within three months, a completion notice will be served on the 'owner' of the commercial premises. The 'owner' is defined as the 'person entitled to possession'. The completion notice specifies the date on which the commercial premises becomes rateable and enters the rating list for business rates purposes.
- 1.2 Authority to issue completion notices is delegated to the Borough Treasurer and he has exercised this function under the overarching delegation to 'take all reasonable steps and measures to discharge the function of the Borough Treasurer'.

RECOMMENDATION: In order for clarity and transparency of decision making it is proposed that the Borough Treasurer's delegations are amended to add:

Issue completion notices

2. Enactment of new legislation

- 2.1 The Anti-Social Behaviour, Crime and Policing Act 2014 introduced a number of functions and duties, including but not limited to, the issuing of Community Protection Notices.

RECOMMENDATION: In order to ensure that officers can utilise all relevant provisions within the legislation it is proposed that the Director of Environment, Culture and Communities delegations are amended to add:

To exercise functions and powers under the Anti-Social Behaviour, Crime and Policing Act 2014

- 2.2 The Energy Act 2013 introduces new duties, including but not limited to, inspecting smoke detectors in rental properties.

RECOMMENDATION: In order to ensure that officers can utilise all relevant provisions within the legislation it is proposed that the delegations of the Director of Corporate Services and the Director of Environment, Culture and Communities are amended to add:

To exercise functions and powers under the Energy Act 2013

3. Property Transactions

The following delegations revise, update and clarify decision making roles in respect of property transactions and bring these decision making processes into line with the Council's Contract Standing Orders.

3.1 Executive Member Transformation and Finance (additional delegation)

To authorise the grant of leases, agreements for leases or tenancy agreements for terms of more than 7 years at a consideration exceeding £100,000 per annum

3.2 Chief Officer Property (existing delegations to be deleted and replaced with the following:)

- 1.1 Carry out the functions set out in Table A below, in conjunction with the Director of Corporate Services and the Executive Member Transformation and Finance within the financial limits set out in the Table and in accordance with best value
- 1.2 Agree all payments in connection with the acquisition of land under Compulsory Purchase Powers, including home loss and disturbance payments.
- 1.3 Authorise the service of Notices under Landlord and Tenant legislation and other Agreements in respect of land.
- 1.4 To negotiate and enter into any necessary arrangements for the surrender of leasehold interests to or by the Council on the best terms available.
- 1.5 To take any action under the terms of a transfer of land to or by the Council, lease or licence, relating to the use, ownership or the occupation of land.
- 1.6 To maintain the Council's terrier land records and other related property information.

TABLE A

		Up to £400,000	£400,000 up to £1Million	Over £1Million
1.	To authorise the acquisition and disposal of freehold or long leasehold or other interests in land	Chief Officer: Property	Director: Corporate Services with advice from Chief Officer: Property	Executive Member with advice from: Chief Officer: Property and Director: Corporate Services
2.	To authorise the grant of leases and Tenancy Agreements for terms of up to 7 years and rents or licence fees up to £100,000 per annum	Chief Officer: Property		
3	To authorise the grant of leases, agreements for leases or tenancy agreements for terms of more than 7 years at a consideration exceeding	Executive Member on advice of Chief Officer: Property		

Unrestricted

	£100,000 per annum	
4.	To carry out any acquisition or disposal required by statute, or a resolution of the Council or the Executive	Chief Officer: Property
5.	To negotiate and complete consents rent reviews and lease renewals (whatever the term) and give and receive statutory notices under all Landlord and Tenant legislation	Chief Officer: Property
6.	To grant a wayleave or easement to statutory undertakers at the best terms reasonably available.	Chief Officer Property with agreement of Director of Corporate Services
7.	To grant or take a grant of any Licence or Tenancy At Will (a) up to £50,000 p.a. (b) over £50,000 p.a.	Chief Officer: Property Chief Officer: Property with agreement of Director of Corporate Services

4. **Neighbourhood Planning decisions**

The Localism Act 2011 (by amending the Town and Country Planning Act 1990) introduced provisions which empower Parish and Town Councils and designated Neighbourhood Forums to initiate the process for making Neighbourhood Development Orders and Neighbourhood Development Plans in relation to the designation of Neighbourhood Areas. The Neighbourhood Planning (General) Regulations 2012 (as amended) were introduced on 6 April 2012. The Regulations set out clear statutory criteria for the Neighbourhood Planning decision making process. It is therefore important that the Council adopts a formal decision-making framework, and clear scheme of delegation to process future Neighbourhood Planning applications. The Executive delegations necessary to give effect to the Neighbourhood Planning process are set out below.

4.1 **Executive Member Planning and Transport (additional delegations relating to Neighbourhood Planning process)**

- Decision to designate a Neighbourhood Area
- Decision to refuse to designate a Neighbourhood area
- Approval of a pre submission consultation response

Unrestricted

- Approval of representations to Examiner
- Submission of response to Examiners report
- Approval of publicity by Electoral Services for referendum
- Revocation or Modification of a Neighbourhood Development Plan

4.2 Executive (additional delegation relating to Neighbourhood Planning process)

- Decision Statement on making of Neighbourhood Development Plan

4.3 Chief Officer: Planning and Transport in consultation with the Executive Member Planning and Transport (additional delegation relating to Neighbourhood Planning process)

- All duties relating to the Neighbourhood Planning process not otherwise reserved to the Executive or Executive Member for Planning and Transportation

PROPOSED AMENDMENTS TO PART 4 SECTION 11 – CONTRACT STANDING ORDERS

1. Enactment of new legislation

- 1.1 The Public Contract Regulations 2015 abolished the classification of procurements as “Part B” services, which were exempt from specific regulation, and largely replaced it with a new classification of procurement - Social and Other Specific Services, in addition to the existing classifications - Services and Supplies, and Works. Each of these classifications has its own procurement threshold and its own procurement rules. It is important that the Council classifies procurements in a consistent and reasoned way which ensures minimum risk of challenge.
- 1.2 Since Contract Standing Orders dovetail with PCR 2015, these changes need to be reflected in Contract Standing Orders. In addition, the Sterling values of the three thresholds were updated on 1st January 2016.
- 1.3 Changes are made to Contract Standing Orders (Definitions, Sections 3.1 and 4.3, Appendix 3) to reflect the new classification, the new threshold values and the need to classify procurements consistently.

2. Unnecessary sealing of contracts

- 2.1 The Council's seal must be affixed to any contract with a total contract value of £400,000 or more (sections 2.3.11 and 6.8). This requirement is removed.
- Few documents need to be sealed to give them legal efficacy. Examples of such documents are Deeds, Agreements under Section 106 Town and Country Planning Act, documents creating or transferring significant interests in land and Byelaws. None of the contracts the Council enters into for the procurement of services, supplies or works require sealing, and may simply be signed by a responsible officer, normally a Director or someone to whom the function has been delegated.
- 2.2 It is proposed to remove the requirement for sealing contracts so that time and administrative resources will be saved. In some circumstances, affixing the Council's seal may be requested in order to reflect established industry practice.

3. Clarifications

- 3.1 Contract Standing Orders deals with contract extensions. In their current form they are open to different interpretations and this could lead to confusion. Amendments are proposed to clarify section 8. Extensions allowed for in the contract must be approved by a Director. Extensions not allowed for in the contract must be approved by the Director for the first year, and by the Executive Member for subsequent years, with advice from the Borough Solicitor and Treasurer.
- 3.2 A recent audit of procurement highlighted a discrepancy in Appendix 1 (one of the “tick sheets”, which are used extensively by officers to easily understand the route their procurement must take). It appeared to require OJEU advertising above £100,000 rather than above the EU threshold, which is £164,176. This has been corrected.
- 3.3 Some minor changes have been made to wording in order to simplify and clarify.

SECTION 11 – CONTRACT STANDING ORDERS

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”

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 2015](#) (SI [2006-2015](#) No [512](#)) 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~~

Unrestricted

<u>"Social and Other Specific Services Threshold"</u>	<u>£589,148 or any different figure that may be substituted by statutory instrument from time to time</u>
"Supplies and Services Threshold"	£173,934 <u>£164,176</u> or any different figure that may be substituted by S 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 <u>or the Social and Other Specific Services Threshold</u> or the Works Threshold as the case may be
"Works Threshold"	£4,348,350 <u>£4,104,394</u> 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.

Unrestricted

- 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~~ [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, [including advice on the classification of a procurement as Supplies and Services, Works or Social and Other Specific Services.](#)
- 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, [and procurement of works with an estimated Total Contract Value in excess of £400,000,](#) 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 Appendices 1, 2 and 3](#)). 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 [or Appendix 3 as the case may be.](#) ~~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 Appendices ~~x-1, 2 and 3~~ 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,

(1a) Leasing arrangements are involved, or

(1b) 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
Over £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 Where requested	Execution under seal	Borough Solicitor

- 6.9 It is advised that a All contracts should as a matter of good practice ~~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 unless reporting to the Executive in accordance with 7.1 above 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 ~~Any extension provided for in the contract~~ ~~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.~~

8.43 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, with advice from the Borough Solicitor and the Treasurer.

Contract variations

8.54 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.

Unrestricted

Appendix 1								
Supplies and Services			Minimum Requirements			✓	= Mandatory	
	Total Contract Value	Up to £5K	>£5K to £10K	>£10K to £35K	>£35K to £100K	>£100K to £400K	>£400K to £1m	>£1m
Procurement Plan	Director* to approve, with advice from Head of Procurement					✓	✓	✓
	Executive Member to approve						✓	✓
Format	Request for Quotation (RFQ)	✓ oral	✓	✓	✓			
	Invitation to Tender (ITT)				Optional	✓	✓	✓
Specification		✓ oral	✓ outline	✓ outline	✓	✓	✓	✓
Terms	BFC terms and conditions	Preferred	Preferred	Preferred	✓			
	Special terms - contact Legal Services				Optional	✓	✓	✓
Competition	Minimum 1 quote	✓ oral	✓					
	Seek a minimum of 3 quotes			✓	✓			
	Formal Tender - seek a minimum of 5 tenders					✓	✓	✓
	Order under a Framework Agreement	Mini competition of all suppliers able to meet the requirement - or otherwise as defined in the Framework Agreement						
Advertising	SE Business Portal and Contracts Finder**				✓	✓	✓	✓
	European website (TED)					Mandatory above Threshold***	✓	✓
Contract SO Waiver	Director to record reasons on file	✓	✓	✓				
	Chief Executive and Borough Solicitor to approve				✓	✓		
	The Executive to approve						✓	✓
Contract Award	Director*	✓	✓	✓	✓			
	Report to Director* for approval					✓		
	Report to Director and Executive Member for approval						✓	
	Report to the Executive for approval							✓
Contract Award Notice	SE Business Portal and Contracts Finder**				✓	✓	✓	✓
	European website (TED)					Mandatory above Threshold***	✓	✓
Form of Contract	Purchase Order	✓ oral	✓	✓	✓			
	Contract signed by Director*					✓	✓	✓
	Deed signed under seal by Mayor and Borough Solicitor					If requested.		
* Or as delegated, or Governing Body for Schools								
** Schools don't have to use Contracts Finder								
*** Threshold is £164,176 as of 1st January 2016.								

Unrestricted

Appendix 2		Minimum Requirements							✓ = Mandatory
Works		Up to £5K	>£5K to £10K	>£10K to £35K	>£35K to £100K	>£100K to £400K	>£400K to £1m	>£1m	
Procurement Plan	Director* to approve, with advice from Head of Procurement						✓	✓	
	Executive Member to approve						✓	✓	
Format	Request for Quotation (RFQ)	✓ oral	✓	✓	✓				
	Invitation to Tender (ITT)					✓	✓	✓	
Specification		✓ oral	✓ outline	✓ outline	✓	✓	✓	✓	
Terms	BFC terms and conditions	Preferred	Preferred	Preferred	✓				
	Special terms - contact Legal Services				Optional	✓	✓	✓	
Competition	Minimum 1 quote	✓ oral	✓						
	Seek a minimum of 3 quotes			✓	✓				
	Formal Tender - seek a minimum of 5 tenders					✓	✓	✓	
	Order under a Framework Agreement	Mini competition of all suppliers able to meet the requirement - or otherwise as defined in the Framework Agreement							
Advertising	SE Business Portal and Contracts Finder**						✓	✓	
	European website (TED)							Mandatory above Threshold***	
Contract SO Waiver	Director to record reasons on file	✓	✓	✓					
	Chief Executive and Borough Solicitor to approve				✓	✓			
	The Executive to approve						✓	✓	
Contract Award	Director*	✓	✓	✓	✓				
	Report to Director* for approval					✓			
	Report to Director and Executive Member for approval						✓		
	Report to the Executive for approval							✓	
Contract Award Notice	SE Business Portal and Contracts Finder**				✓	✓	✓	✓	
	European website (TED)							Mandatory above Threshold***	
Form of Contract	Purchase Order	✓ oral	✓	✓	✓				
	Contract signed by Director*					✓	✓	✓	
	Deed signed under seal by Mayor and Borough Solicitor							If requested.	
* Or as delegated, or Governing Body for Schools									
** Schools don't have to use Contracts Finder									
*** Threshold is £4,104,394 as of 1st January 2016.									

Unrestricted

Appendix 3								
Social and Other Specific Services			Minimum Requirements			✓	= Mandatory	
	Total Contract Value	Up to £5K	>£5K to £10K	>£10K to £35K	>£35K to £100K	>£100K to £400K	>£400K to £1m	>£1m
Procurement Plan	Director* to approve, with advice from Head of Procurement					✓	✓	✓
	Executive Member to approve						✓	✓
Format	Request for Quotation (RFQ)	✓ oral	✓	✓	✓			
	Invitation to Tender (ITT)				Optional	✓	✓	✓
Specification		✓ oral	✓ outline	✓ outline	✓	✓	✓	✓
Terms	BFC terms and conditions	Preferred	Preferred	Preferred	✓			
	Special terms - contact Legal Services				Optional	✓	✓	✓
Competition	Minimum 1 quote	✓ oral	✓					
	Seek a minimum of 3 quotes			✓	✓			
	Formal Tender - seek a minimum of 5 tenders					✓	✓	✓
	Order under a Framework Agreement	Mini competition of all suppliers able to meet the requirement - or otherwise as defined in the Framework Agreement						
Advertising	SE Business Portal and Contracts Finder**				✓	✓	✓	✓
	European website (TED)						Mandatory above Threshold***	✓
Contract SO Waiver	Director to record reasons on file	✓	✓	✓				
	Chief Executive and Borough Solicitor to approve				✓	✓		
	The Executive to approve						✓	✓
Contract Award	Director*	✓	✓	✓	✓			
	Report to Director* for approval					✓		
	Report to Director and Executive Member for approval						✓	
	Report to the Executive for approval							✓
Contract Award Notice	SE Business Portal and Contracts Finder**				✓	✓	✓	✓
	European website (TED)						Mandatory above Threshold***	✓
Form of Contract	Purchase Order	✓ oral	✓	✓	✓			
	Contract signed by Director*					✓	✓	✓
	Deed signed under seal by Mayor and Borough Solicitor						If requested.	
* Or as delegated, or Governing Body for Schools								
** Schools don't have to use Contracts Finder								
*** Threshold is £589,148 as of 1st January 2016.								

TO: **GOVERNANCE & AUDIT COMMITTEE**
30 March 2016

STANDARDS FRAMEWORK UPDATE
Monitoring Officer

1 PURPOSE OF REPORT

1.1 The Council implemented a new Standards regime in 2012 to give effect to the requirements of the Localism Act and accompanying Regulations. The new regime was and remains framed around the following;

- Standards Committee Terms of Reference
- Code of Conduct for Councillors

1.2 This report seeks to augment the local standards framework by the adoption of a formal procedure for dealing with standards complaints incorporating a range of sanctions available to the Standards Committee and further by clarifying the Council's process for the granting of dispensations.

2 RECOMMENDATION(S): That;

2.1 A formal procedure for dealing with Councillor Code of Conduct complaints as set out in Appendix A to this report be approved for adoption by Council.

2.2 An amendment to the Councillor Code of Conduct clarifying the process for the granting of dispensations as set out in Appendix C to this report be approved for adoption by Council.

3.3 The committee note with reference to Paragraph 5.8 of this report that a Member/Officer working group has been set up to review the scope and effectiveness of the current standards framework with particular emphasis on the current range of sanctions available under the Code of Conduct.

3 REASONS FOR RECOMMENDATION(S)

3.1 Whilst the Council's process for dealing with Councillor Code of Conduct complaints is set out on its intranet site this has been drawn up in very broad terms and requires updating into a formal procedure. This report seeks to place the process on a formal footing having regard to clarity of roles, timescales and appropriate sanctions.

3.2 The Council's constitution currently includes no provision setting out the parameters for the granting of dispensations to Councillors who would otherwise be excluded from participating in Council business due to the existence of Disclosable Pecuniary Interests or Affected Interests.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The Localism Act requires the Authority to have arrangements in place under which alleged breaches of the Councillor Code of Conduct can be investigated and arrangements under which decisions on allegations can be made. Whilst current arrangements exist, they are informal in nature and do require consolidation to ensure that the Authority effectively discharges its statutory duty.

5 SUPPORTING INFORMATION

A. Procedure for dealing with Code of Conduct Complaints

- 5.1 The Localism Act 2011 provided for the abolition of the statutory standards framework but required local authorities to:
- promote and maintain high standards of conduct;
 - adopt a code of conduct consistent with prescribed principles;
 - put in place arrangements under which allegations of councillor conduct could be assessed by the Monitoring officer, and if appropriate, investigated potentially leading to sanctions against the councillor;
 - appoint an Independent Person, and;
 - establish and maintain a register of members interests.
- 5.2 Arrangements for dealing with Councillor Code of Conduct complaints were revised by the Authority in 2012 in light of the new statutory provisions. These arrangements for dealing with Code of Conduct complaints require the Monitoring Officer to undertake an initial assessment against the approved criteria, consult with the Independent Person and endeavour to resolve complaints informally where possible and appropriate. Where informal resolution is not possible the Monitoring Officer may refer a complaint for investigation and in certain circumstances, determination by the Standards Committee which would have a range of sanctions available to it where a Councillor was found to be in breach of the Code.
- 5.3 However, these arrangements have not to date been embedded within a formal procedure. Appendix A sets out a procedure which can be shared with parties involved in code of conduct complaints and which provides a transparency of process.
- 5.4 It should be noted that the proposed procedure envisages hearings under the Code to be considered by a Panel of the Standards Committee ("The Code of Conduct Panel") comprised of two Councillors and two Independent Members with one of the Independent Members holding the Chair and retaining a casting vote in the event of deadlock. As is the case currently, any decision of the Panel will need to be ratified by the Governance and Audit Committee before taking effect as neither the Panel nor its parent committee (Standards Committee) has any decision making powers

Adequacy of available sanctions

- 5.5 One of the concerns raised across local authorities nationally since the introduction of the new regime in 2012 has been the lack of enforceable sanctions and the absence of any powers to suspend or disqualify errant Councillors. Local authorities have therefore been left to develop their own range of sanctions which are in many respects dependent upon the co-operation of the representative political groups for their effectiveness.
- 5.6 Bracknell Forest Council currently recognises the following sanctions as being available to its Standards Committee;
- censoring the Councillor/co-opted Member
 - recommending to the Councillors group leader (or in the case of “ungrouped” Members, recommend to council or to committees) that he/she be removed from any or all committees or sub-committees
 - recommending to the Leader of the Council that the Councillor be removed from the Executive, or removed from particular portfolio responsibilities
 - recommending that the Councillor be removed from any or all outside appointments to which he/she has been appointed or nominated by the Leader of the Council
 - withdrawing facilities provided to the Councillor/co-opted member by the council such as a computer or internet access
 - excluding the Councilor/co-opted Member from Council premises, with the exception of meeting rooms as necessary for attending the Council, the Executive, Committee and Sub-Committee meetings
- 5.7 The table in Appendix B sets out the sanctions available across a sample range of authorities. It will be noted that this Authority’s range of recognised sanctions corresponds broadly with those in Appendix B. The table does however reveal a number of sanctions not explicitly recognised in the Bracknell Forest procedure. These are:
- Instructing Monitoring Officer to arrange training (though this has been applied by the Council in the past)
 - Publicise findings/issue press release
 - Report findings to Council
 - Exclude from Council offices
- 5.8 A Member/Officer Working Group is due to be set up in the coming weeks to review the scope and effectiveness of the Standards Framework with particular emphasis on current range of sanctions available under the Code of Conduct. Its recommendations will be incorporated within a future report to the Standards Committee.

B. Dispensations

- 5.9 Prior to the coming into force of the relevant provisions of the Localism Act 2011, dispensations could only be granted by the Standards Committee. The Act extended this power to the Council, a Committee, Sub Committee or an Officer.
- 5.10 The Act also broadened the basis upon which dispensations could be granted to incorporate the following scenarios;
- i. without the dispensation the number of persons prohibited from participating in the particular business would be so great a proportion of the body transacting the business as to impede the transaction of the business*
 - ii. without the dispensation the representation of different political groups on the body transacting the business would be so upset as to alter the likely outcome of any vote relating to the business*
 - iii. in relation to an Executive function, without the dispensation each member of the Executive would be prohibited from participating in the particular business*
 - iv. granting the dispensation is in the interests of persons living in the authority's area*
 - v. it is otherwise appropriate to grant a dispensation*
- 5.11 On 25 April 2012 the Council agreed that dispensations in respect of scenarios (i) to (iii) may be granted by the Monitoring Officer in consultation with the Chairman of the Standards Committee but that decisions relating to (iv) and (v) due to their subjective nature, should be reserved to the Governance and Audit Committee. It is however considered by the Standards Committee that due to the tight timeframes involved between a Councillor becoming aware of an Interest and the meeting at which the interest would otherwise need to be declared, determination by a Governance and Audit Committee would be impracticable. It is therefore proposed that such determinations are made by the Monitoring Officer in consultation with the Chair of the Standards Committee.
- 5.12 Appendix C sets out a procedure for the granting of dispensations for inclusion within the Councillor Code of Conduct to reflect the above.

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 arising from the recommendations in this report.

Equalities Impact Assessment

- 6.3 Not required

Strategic Risk Management Issues

- 6.4 None

7 CONSULTATION

Principal Groups Consulted

7.1 Director of Corporate Services, CMT

8. APPENDICES

A - Procedure for dealing with Code of Conduct Complaints

B - Table of Code of Conduct sanctions available across a sample range of Local Authorities

C –Procedure for dealing with dispensation requests (to be included in Councillor Code of Conduct)

Contact for further information

Sanjay Prashar- 01344 355607

sanjay.prashar@bracknell-forest.gov.uk

**BRACKNELL FOREST BOROUGH COUNCIL
ARRANGEMENTS FOR DEALING WITH COUNCILLOR CODE OF CONDUCT
COMPLAINTS**

1. Context

1.1 These 'Arrangements' set out how a complaint may be made that an elected or co-opted Member of this Council has failed to comply with the Council's Code of Conduct, and sets out how the Council will deal with allegations of a failure to comply with that Code of Conduct.

1.2 Under sections 28(6) and (7) of the Localism Act 2011, the Council must have in place 'arrangements' under which allegations that a member or co-opted Member of the Council, or of a committee or sub-committee of the Council, has failed to comply with its Code of Conduct can be investigated and decisions made on such allegations.

1.3 In this procedure;

- An Independent Person is an individual appointed by the Council in accordance with the requirements of the Localism Act 2011 and whose views must be sought by the Council before it takes a decision on an allegation which it has decided shall be investigated, and whose views can be sought by the Council at any other stage, or by a Member against whom an allegation as been made.
- An Independent Member is a non elected Member of the Standards Committee. There are four such Members on the Council's Standards Committee one of whom serves as the Chair.

2. The Code of Conduct

2.1 The Council has adopted a Code of Conduct for Members, which is available for inspection on its web site.

3. Making a complaint

3.1 Complaints alleging that a member has breached the Code of Conduct must be in writing stating the paragraph of the Code that it is alleged the member has not complied with and explaining the circumstances of the non-compliance. The complainant must complete the Council's complaint form which is available on the Council's web site at www.bracknell-forest.gov.uk

3.2 Where a complaint is received orally or by email the complainant will be advised to complete the complaint form. If necessary, assistance will be provided or arrangements made to enable the complainant to complete the complaint form.

3.3 The complainant must provide us with their name and a contact address or email address, so that we can acknowledge receipt of the complaint and keep them informed of its progress. If they wish to keep their name and address confidential, they must indicate this in the space provided on the complaint form, in which case we will not disclose it to the member against whom the complaint has been made without their prior consent. However there may be exceptions, such as those outlined in paragraph 3.7 below. A request from a complainant for confidentiality should be supported by reasons. The Authority does not normally investigate complaints received anonymously or where

the complainant cannot otherwise be identified, unless there is a clear public interest in doing so.

- 3.4 The Democratic Services Team will log the complaint and write to the complainant **within five working days** acknowledging receipt of the complaint.
- 3.5 Officers in the Democratic Services Team will check a complaint. If a complaint specifies that it relates to a failure to comply with the Code of Conduct by a member, or it appears that it might relate to a member and a failure to comply with the Code of Conduct, then it will be passed to the Council's Monitoring Officer for further action **within two working days** of its acknowledgement, together with any relevant correspondence with the complainant.
- 3.6 The Monitoring Officer is a senior officer of the Authority who has statutory responsibility for maintaining the Register of Members' Interests and who is responsible for administering the system in respect of complaints of member misconduct. The Deputy Monitoring Officer may take the role of the Monitoring Officer if the Monitoring Officer is unable to act.
- 3.7 The Monitoring Officer will normally disclose to the subject member the details of the complaint, except where such disclosure would be against the public interest or would prejudice any future investigation, or where the complainant has requested confidentiality. If any one of these exceptions applies the Monitoring Officer may only notify the member of the fact that an allegation has been made and the reasons why details cannot be disclosed. A complainant who has requested confidentiality will be informed if the Monitoring Officer considers that it is necessary to divulge their details to the member so that an investigation can be progressed.

4. Will the complaint be investigated?

- 4.1 The Monitoring Officer will review every complaint received and, after consultation with the Independent Chair of the Standards Committee,* as well as in appropriate circumstances, the Independent Person, take one of three decisions:
- i. Take no action
 - ii. Seek to resolve the complaint informally
 - iii. Refer the Complaint for investigation

This decision will normally be taken **within 10 working days** of receipt of the complaint. The Monitoring Officer will inform the complainant and the Member of his decision and the reasons for that decision.

*(*or in their absence another Independent Member)*

- 4.2 It is likely that no action will be taken where;

- there is no prima facie evidence that the Code has been breached;
- taking into account the nature of the allegation, using public funds to examine the matter further would be disproportionate;
- the complaint appears to be vexatious, or politically motivated
- the conduct complained about has already been the subject of investigation or enquiry by another public body;

- the same, or substantially the same, issue has been the subject of a previous Code of Conduct allegation, and there is nothing further to be gained;
- there is not enough information to take the matter further;
- the complaint was made anonymously;
- the complainant has requested that their identity as complainant be withheld from the member, and the matter cannot reasonably be taken further in these circumstances;
- the member has already apologised for the action that was the subject of the complaint, and that is sufficient to dispose of the complaint;
- the complaint is essentially against the action of the Council as a whole and cannot properly be directed against an individual member(s).
- the complaint relates to conduct in a Members private life and not in their official capacity.

4.3 Where the Monitoring Officer requires additional information in order to come to a decision they may seek such information from the complainant, and may request information from the member against whom the complaint is directed.

4.4 As indicated in paragraph 4.1 above, in appropriate cases, the Monitoring Officer may, having consulted with the Independent Chair of the Standards Committee, seek to resolve the complaint informally, without the need for a formal investigation. Such informal resolution may involve the member accepting that his/her conduct was unacceptable and offering an apology, or other remedial action by the Council.

4.5 If the complaint identifies criminal conduct or breach of other regulation by any person, the Monitoring Officer has the power to call in the police and other regulatory agencies.

5. How is the investigation conducted?

5.1 If the Monitoring Officer decides that a complaint merits formal investigation, they will appoint an Investigating Officer, who may be another senior officer of the Council, an officer of another Council or an external investigator. The Monitoring Officer will write to the relevant parties:

- a) informing them that the matter has been referred for investigation;
- b) if appropriate, advising them who is to be responsible for conducting the investigation;
- c) advising them how the investigation will be carried out and within what timescale; and
- d) giving any Member who is the subject of the investigation the opportunity to comment on the complaint made.

5.2 The Investigating Officer will decide whether they need to meet or speak to the complainant to understand the nature of the complaint and so that the complainant can explain their understanding of events and suggest what documents the Investigating Officer needs to see, and who the Investigating Officer needs to interview.

5.3 The Investigating Officer will normally write to the Member against whom the complaint has been made and provide them with a copy of the complaint, and ask the Member to provide their explanation of events, and to identify what documents the Investigating Officer needs to see and who he needs to interview. In exceptional cases, where it is appropriate to keep the identity of the complainant confidential or disclosure of details of the complaint to the Member might prejudice the investigation, the Monitoring Officer can delete personal details from the papers given to the Member, or delay notifying the Member until the investigation has progressed sufficiently.

5.4 At the end of their investigation, the Investigating Officer will produce a draft report and will send copies of that draft report, in confidence, to the complainant and to the Member concerned, to give them both an opportunity to identify any matter in that draft report with which they disagree or which they consider requires more consideration.

5.5 Having received and taken account of any comments which may be made on the draft report, the Investigating Officer will send their final report to the Monitoring Officer.

6. What happens if the Investigating Officer concludes that there is no evidence of a failure to comply with the Code of Conduct?

6.1 The Monitoring Officer will review the Investigating Officer's report and, if he is satisfied that the Investigating Officer's report is sufficient, the Monitoring Officer will write to the complainant and to the Member concerned, notifying them that he/she is satisfied that no further action is required, and give both of them a copy of the Investigating Officer's final report. The findings will be reported to the Council for information, without question or debate, unless the Member asks that they be not reported. If the Monitoring Officer is not satisfied that the investigation has been conducted properly, he may ask the Investigating Officer to reconsider his/her report.

7. What happens if the Investigating Officer concludes that there is evidence of a failure to comply with the Code of Conduct?

7.1 The Monitoring Officer will review the Investigating Officer's report and will then either send the matter for a hearing before a Code of Conduct Panel or, after consulting the Independent Person and Chairman of the Standards Committee seek a resolution.

Resolution

7.2 The Monitoring Officer may consider that the matter can reasonably be resolved without the need for a hearing. In such a case, the Monitoring Officer will consult with the Independent Person, Chairman of the Standards Committee and with the complainant and seek to agree what is considered to be a fair resolution which also helps to ensure higher standards of conduct in the future. Such resolution may include the Member accepting that their conduct was unacceptable and offering an apology, and/or other remedial action by the authority. If the Member complies with the suggested resolution, the Monitoring Officer will report the matter to the Standards Committee for information, but will take no further action. However, if the complainant tells the Monitoring Officer that any suggested resolution would not be adequate; the Monitoring Officer will refer the matter for a hearing.

Hearing

7.3 If the Monitoring Officer considers that resolution is not appropriate, or the complainant is not satisfied by the proposed resolution, or the Member concerned is not prepared to undertake any proposed remedial action, such as giving an apology, then the Monitoring Officer will report the Investigating Officer's report to a Code of Conduct Panel which will conduct a hearing before deciding whether the Member has failed to comply with the Code of Conduct and, if so, whether to take any action in respect of the Member.

What is the Code of Conduct Panel?

- 7.4 The Code of Conduct Panel will comprise four members of the Standards Committee, two of whom will be Independent Members. It will be chaired by one of the Independent Members who will hold a casting vote in the event of deadlock
- 7.5 The Independent Person or his deputy will be present at any hearing to advise the Panel
- 7.6 The Monitoring Officer will conduct a 'pre-hearing process', requiring the Member to give their response to the Investigating Officer's report, in order to identify what is likely to be agreed and what is likely to be in contention at the hearing, and the Chair of the Code of Conduct Panel may issue directions as to the manner in which the hearing will be conducted.
- 7.7 A member who is the subject of a hearing may be represented by counsel, by a solicitor or, with the consent of the Code of Conduct Panel, by any other representative.
- 7.8 If a Member who is the subject of a report to the Code of Conduct Panel fails to attend a hearing of which that Member has been given notice, the Code of Conduct Panel may:
 - (a) unless it is satisfied that there is sufficient reason for such failure, consider the allegation and make a determination in the absence of that Member; or
 - (b) adjourn the hearing to another date.
- 7.9 Hearings will be conducted in accordance with the process set out in Annex A

8. What action can the Code of Conduct Panel take where a Member has failed to comply with the Code of Conduct?

8.1 The sanctions which may be imposed upon a Member found to be in breach of the Code are;

- Censoring the Member/Co-opted Member
- Recommending to the Member's group leader (or in the case of an "ungrouped" Member, recommend to council or to committees) that he/she be removed from any or all committees or sub-committees
- Recommending to the Leader of the Council that the Member be removed from the Executive, or removed from particular portfolio responsibilities
- Recommending that the Member be removed from any or all outside appointments to which he/she has been appointed or nominated by the Leader of the Council
- Withdrawing facilities provided to the Member/co-opted Member by the council such as a computer or internet access

8.2 The Code of Conduct Panel has no power to suspend or disqualify the Member or to withdraw the member's allowance.

9. What happens at the end of the hearing?

9.1 At the end of the hearing, the Chair will announce the findings of the Code of Conduct Panel. Those findings as well as the Panel's recommendations regarding sanctions (where there is a finding of failure to comply with the Code) will be presented to a specially convened meeting of the Governance and Audit Committee for ratification

9.2 As soon as reasonably practicable thereafter, the Monitoring Officer will prepare a formal decision notice, in consultation with the Chair of the Code of Conduct Panel, and send a copy to the Complainant and to the Member, make that decision notice available for public inspection and report the decision to the next convenient meeting of the Standards Committee

10. Withdrawal of complaint

10.1 The complainant can request, but there is no right, to withdraw a complaint and it is for the Monitoring Officer in any particular case to consider and decide whether or not to agree to a withdrawal. When making a decision the Monitoring Officer will give due consideration to such matters as:

- a) Whether there are identifiable underlying reasons for the withdrawal request;
- b) Whether the public interest in taking action on a complaint outweighs the reasons behind the complainant's withdrawal request; and
- c) Whether the complaint can be adequately investigated without the complainant's participation.

11. Revision of these arrangements

11.1 The Council may by resolution agree to amend these arrangements, and the Chair of the Code of Conduct Panel may depart from these arrangements where they consider that it is expedient to do so in order to secure the effective and fair consideration of any matter.

12. Appeals

12.1 There is no right of appeal for the complainant or for the Member against a decision of the Monitoring Officer.

12.2 If either party feels that the Authority has failed to deal with the complaint properly, that party may make a complaint to the Local Government Ombudsman

Appendix A –Code of Conduct Panel Hearing Procedure

1. Purpose of hearing

To consider the report of the Monitoring Officer concerning the complaint made about the conduct of Councillor X.

2. Material to be provided to the hearing

The Monitoring Officer will provide a report which will include:-

1. Relevant extracts from the Code of Conduct for Councillors.
2. The factual material and conclusions of the person undertaking the investigation (which may be the Monitoring Officer or someone authorised by him).
3. Any material and information provided by Councillor X.

3. Procedure

In attendance:-

Code of Conduct Panel Members, Democratic Services Officer, Panel Adviser, Independent Person, Monitoring Officer and/or his representative, any other witnesses, Councillor X, his or her representative (if any) and his or her witness(es), the Complainant (if present).

Nb: the hearing may proceed in the absence of Councillor X unless the Panel Members decide it is not in the interests of justice to do so.

1. The Chair introduces the Panel and its advisers.
2. Chair indicates what material the Panel has before it.
3. Chair explains the procedure to be followed:-
 - (i) Exclude press/public?
 - (ii) The Monitoring Officer/representative introduces his report and explains the conclusions he has reached. The presenter of the report may call witnesses to give evidence although it is hoped in the majority of cases this will not be necessary.
 - (iii) The Panel to ask Councillor X if he/she requires clarification of any points in the report. If so, and the Panel feels this is relevant, it should seek such clarification.
 - (iv) The Panel will seek clarification of any points to help it form a view on whether the complaint has been properly investigated and whether it has sufficient information to enable it to make a properly informed judgement.
 - (v) If present, the complainant says what he/she wishes to say.
 - (vi) The Panel may allow questions to be asked of the Complainant through the Chair.
 - (vii) Councillor X or his representative says what he/she wishes to say. Are there any new

issues?

(viii) The Panel then questions Councillor X.

(ix) Councillor X or their representative calls any witnesses who have information to give relevant to the issue before the Panel.

(x) The Panel then ask questions of those witnesses.

(xi) The Chair asks the Monitoring Officer for any final comments.

(xii) Final comments are made by Councillor X or their representative. (no new material)

(xiii) The Panel retires to consider decision.

(xiv) Wherever possible legal advice will be given publicly but the Panel reserves the right to seek it privately in exceptional circumstances.

(xv) Decision with brief reasons announced.

Nb. The Chair of the Code of Conduct Panel may depart from these arrangements where they consider that it is expedient to do so in order to secure the effective and fair consideration of any matter.

Code of Conduct sanctions available across a range of local Authorities

Authority	Instruct MO to arrange training	Publicise findings/press release	Report findings to Council	Recommend removal from outside appointments	Recommend leader to remove from portfolio responsibilities	Recommend leader to remove from Committees/Sub Committees	Withdraw facilities	Exclude from Council Offices	Censure/Censure Motion
Lewisham	x	x	x				x	x	x
Camden		x	x		x	x			x
Brent	x	x	x	x	x	x	x	x	x
Merton	x	x	x	x	x	x	x	x	
Southwark	x			x	x	x		x	x
Barking & Dagenham	x	x	x	x	x	x	x	x	x
Newham	x		x	x	x	x	x	x	
Havering	x			x	x	x	x		x
Haringey	x	x	x	x	x	x	x	x	
Hammersmith and Fulham			x		x	x			x
Sutton	x	x	x	x	x	x	x	x	
Slough	x	x		x	x	x	x	x	
Wokingham					x	x	x	x	x
Reading	x					x			x
West Berkshire						x			x
Bracknell Forest				x	x	x	x		x

Procedure for the Granting of Dispensations**1 Introduction**

1.1 This guide explains:-

- (a) The purpose and effect of dispensations
- (b) The procedure for requesting dispensations
- (c) The criteria which are applied in determining dispensation requests the terms of dispensations.

2 Purpose and effect of dispensations

2.1 In certain circumstances Councillors may be granted a dispensation which enables them to take part in Council business where this would otherwise be prohibited under the Code of Conduct or by law. (ie where they have a Disclosable Pecuniary Interest or Affected Interest). If Councillors act within the terms of their dispensation there is deemed to be no breach of the Code of Conduct or the law.

3 Process for making requests

- 3.1 Any Councillor who wishes to apply for a dispensation must fully complete the attached form and submit it to the Monitoring Officer at least 3 working days before the meeting for which the dispensation is required. Applications may be accepted within a shorter period in exceptional circumstances.
- 3.2 In order to avoid delay Councillors must ensure that they give full details of the grounds for their request and submit it to the Monitoring Officer as soon as they become aware that a dispensation is necessary.
- 3.3 A request for dispensation must be made on an individual basis. Group applications are not permitted.

4 Consideration by the Monitoring Officer in consultation with the Chair of the Standards Committee

- 4.1 The Monitoring Officer will consider requests for a dispensation having regard to the criteria set out in paragraph 5.
- 4.2 The Monitoring Officer, after consultation with the Chairman, or in their absence the Vice Chairman of the Standards Committee, may grant a dispensation if they consider that either;
 - (a) Without the dispensation the number of persons prohibited from participating in any particular business would be so great a proportion of the body transacting the business as to impede the transaction of the business (i.e. the meeting would be inquorate);
 - (b) Without the dispensation the representation of different political groups on the body transacting any particular business would be so upset as to alter the likely outcome of any vote and;
 - (c) Without the dispensation each member of the Council's Executive would be prohibited from participating in any particular business to be transacted by the Council's Executive.
 - (d) Granting a dispensation is in the interests of persons living in the Authority's area; or
 - (e) It is otherwise appropriate to grant a dispensation.

- 4.3 The terms of any dispensation shall be in accordance with paragraph 6.
- 4.4 The Monitoring Officer will notify the Councillor of their decision and reasons in writing at the earliest opportunity.

5 Criteria for determination of requests

- 5.1 In reaching a decision on a request for a dispensation the Monitoring Officer will take into account:
- (a) The nature of the Councillor's Disclosable Pecuniary interest or Affected Interest
 - (b) The need to maintain public confidence in the conduct of the Council's business
 - (c) The possible outcome of the proposed vote
 - (d) The need for efficient and effective conduct of the Council's business
 - (e) Any other relevant circumstances.

6 Terms of dispensations

- 6.1 Dispensations may be granted:
- (a) For one meeting; or
 - (b) For a period not exceeding 4 years.
- 6.2 Dispensations may allow the Councillor:
- (a) To participate, or participate further, in any discussion of the matter at the meeting(s); and/or
 - (b) To participate in any vote, or further vote, taken on the matter at the meeting(s).

7 Disclosure of decision

- 7.1 Any Councillor who has been granted a dispensation must declare the nature and existence of the dispensation before the commencement of any business to which it relates.

BRACKNELL FOREST COUNCIL

Dispensation Request Form

Please give full details of the following in support of your application for a dispensation. You should refer to the accompanying "Procedure for Granting Dispensations"
If you need any help completing this form please contact the Monitoring Officer.

Your name	
Decision-making body in respect of which you require a dispensation	
Details of your membership of that body	
The business for which you require a dispensation (refer to agenda Item number if appropriate)	
Details of your interest in that business	
Date of meeting or time period (up to 4 years) for which dispensation is sought	
Dispensation requested to participate, or participate further, in any discussion of that business by that body	Yes/No
Dispensation requested to participate in any vote, or further vote, taken on that business by that body	Yes/No

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