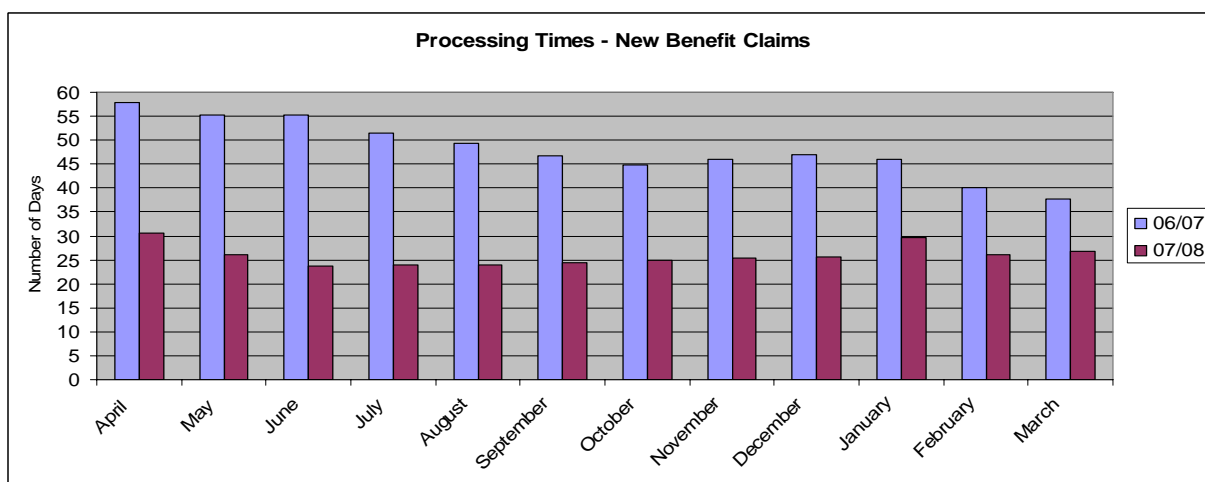


ITEM 4 – Benefits Performance

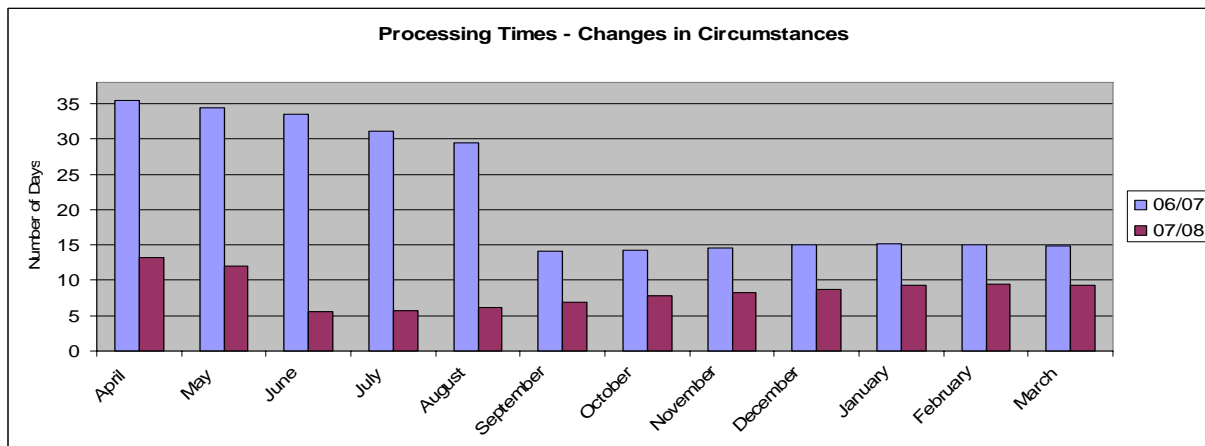
Audit Letter 2007/08 - Housing and Council Tax Benefits

The Audit Commission (AC) letter was in respect of 2007/08 performance and therefore the following focuses on that year.

The (AC) state that “Benefits performance is improving slowly”. As shown by the following table, during 2007/08 we reduced the time taken to process new claims from 37.79 days to 26.70 days.



The other significant area that impacts on Benefit claimants is the time taken to process changes in circumstances. The AC state that the time to process such changes “are improving”. As shown by the following graph we again delivered significant improvements in 2007/08.



Using the DWP performance measures for 2007/08, we moved from Grade Range 2 to Grade Range 4 for new claims and from Grade Range 3 to Grade Range 4 for changes in circumstances.

Performance Measure	Grade Ranges			
	1	2	3	4
Average number of days taken to process a new claim,	Over 48 days	48-37 days	36-30 days	Under 30 days
Average number of days taken to process a notification of a change in circumstances.	Over 28 days	28-21 days	20-10 days	Under 10 days

The AC was critical of our performance in recovering overpaid benefits. This was investigated when the draft Audit Letter was received as we were confident that this was an area where we had very good controls in place. The investigation identified that the method we were using to report the collection performance was flawed and we are in the process of correcting it.

The AC also stated “anti-fraud performance has only achieved marginal improvement” although it did go on to acknowledge that the Council has strengthened its anti-fraud team. One of the recommendations of the Safer Stronger and Sustainable Policy Development Commission was the strengthening of this very small team and an additional post was approved in October 2007.

The Safer Stronger and Sustainable Policy Development Commission also made 2 further recommendations following its meeting in July 2007.

The first was to approve an imitative for working with Sovereign Housing Association (SHA) in respect of the Claims Verification Scheme. A contract was agreed with SHA and signed on the 7th November 2007 but unfortunately SHA have been unable to undertake this service despite full training having been provided to large number of their staff. However on a more positive note we have recently been approached by their new Rent Services Manager who is keen that his team pick up this function. Further discussions are planned over the next few weeks.

The second recommendation was to continue to consider in future the feasibility of developing an online claim process. We meet regularly with our Account Manager from the benefits system software supplier to consider what developments are available and appraise the costs and benefits. E-Benefits would cost in the region of £40k to implement and our assessment is that any performance improvements would be minimal.

Conclusion for 07/08

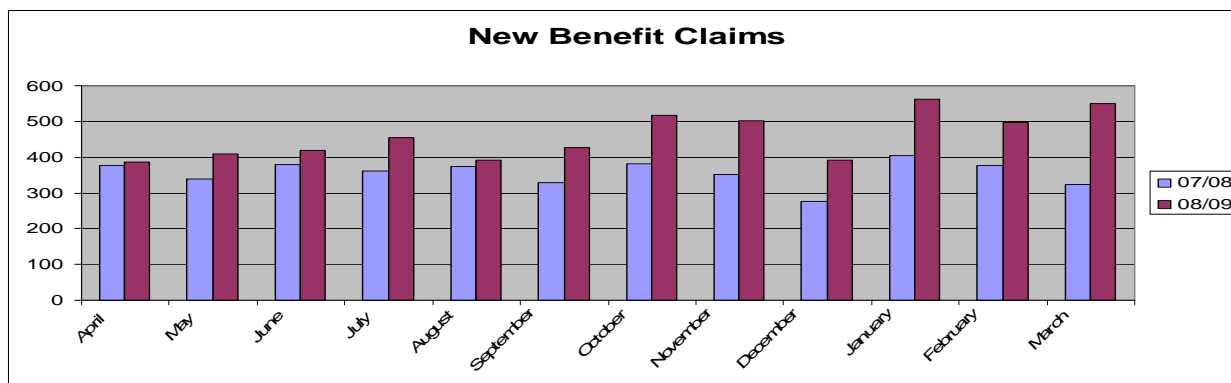
In 2007/08 we delivered a 30% reduction in the time taken to process new claims and a 37 % reduction in the time taken to process changes in circumstances. We believe that the AC comment that ‘performance is improving slowly’ was overly negative.

It is also worth pointing out that the overall DWP assessment for the service moved us from level 2 to level 3.

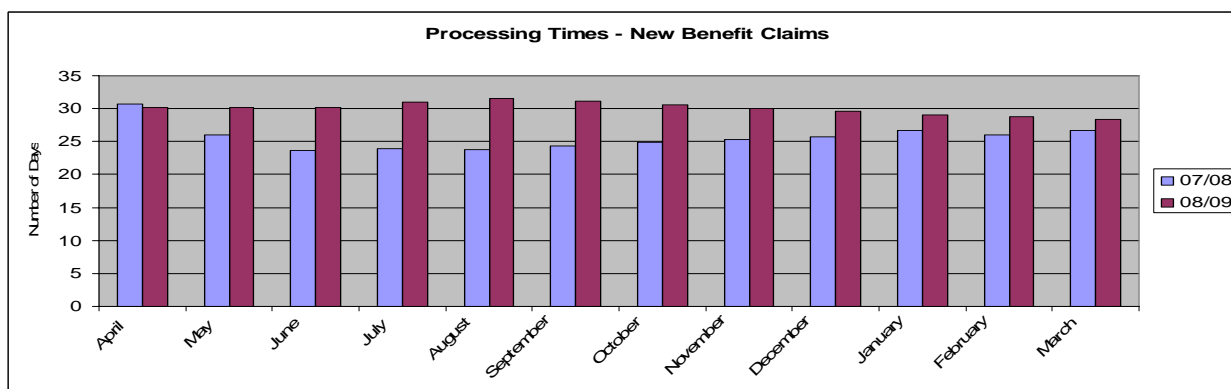
Housing and Council Tax Benefits 2008/09

Whilst the Audit Commission letter related to 2007/08, it is appropriate to highlight the situation for 2008/09.

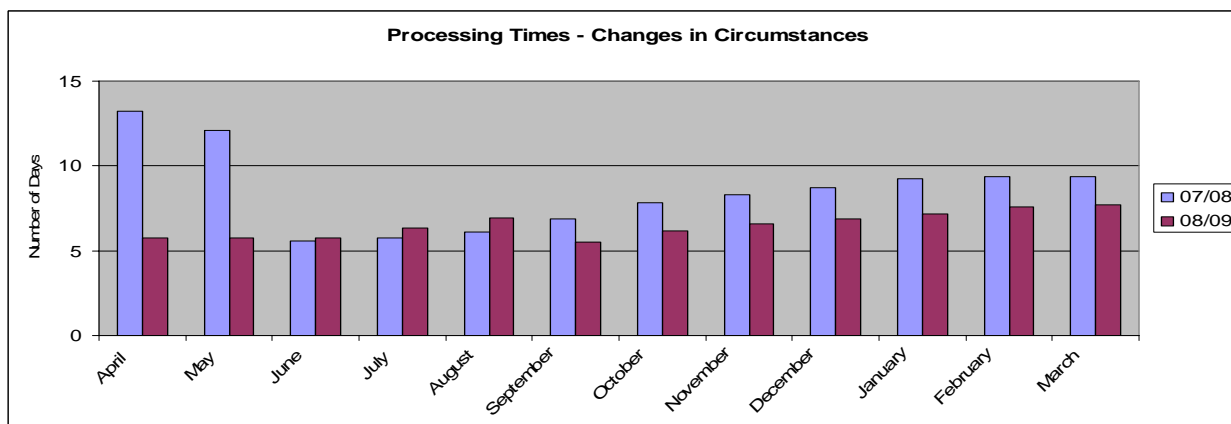
As shown by the following chart, the economic downturn really began to bite in the second half of 2008/09 and we received 43.9% more new claims than for the same period of the previous year.



In addition to this significant increase in workload, we experienced staffing difficulties at the start of the year with 4 of our 12 Benefit Assessors leaving and 2 more going on maternity leave. Whilst this had a detrimental impact on turnaround times, we took steps to minimise the effect and our final result for processing new claims was 28.38 days compared with the 26.7 days for the previous year. Just a 6% increase in the time taken despite a very significant increase in workload.



The processing times for changes in circumstances were improved during 2008/09.



Measuring time taken to process new Housing & Council Tax Benefit claims

Example 1

- Day 1 Claimant submits a fully completed claim form along with all of the requested supporting documentation (payslips, bank statements etc.)
Day 14 Entitlement determined (we achieved 14 days in 86% of such cases)

Example 2

- Day 1 Claimant submits a claim form but without all of the requested supporting documentation
Day 4 Claim pre-assessed
Day 5 Letter to claimant requesting missing documents
Day 11 Documents received from claimant
Day 16 Entitlement determined

Example 3

- Day 1 Claimant submits a claim form but without all of the requested supporting documentation
Day 4 Claim pre-assessed
Day 5 Letter to claimant requesting missing documents
Day 36 No response from claimant, 1 month statutory period ends and claim determined as 'nil' entitlement.

Example 4

- Day 1 Claimant submits a claim form but without all of the requested supporting documentation
Day 4 Claim pre-assessed
Day 5 Letter to claimant requesting missing documents
Day 30 Claimant requests more time to obtain documents (we are required to be 'reasonable')
Day 40 Documents received from claimant
Day 45 Entitlement determined

Performance

- Example 1 = 14 days
Example 2 = 16 days
Example 3 = 36 days
Example 4 = 45 days

Average number of days = 27.75

Only in Example 1 is the time taken to determine the claim fully within our control.

Title of Report:	The Future of Scrutiny	Item 5
Report to be considered by:	Governance and Audit Committee	
Date of Meeting:	27 April 2009	
Forward Plan Ref:	C1662	

Purpose of Report: To obtain approval for the proposed changes in the operation and structure of the Council's Scrutiny function.

Recommended Action: That the Committee approve the proposals for change for endorsement by the Council.

Reason for decision to be taken: Approval of the Governance and Audit Committee is required under the terms of the Council's Constitution.

Key background documentation: None

The proposals will also help achieve the following Council Plan Theme(s):

CPT15 - Putting Customers First

The proposals contained in this report will help to achieve the above Council Plan Priorities and Themes by:

Portfolio Member Details	
Name & Telephone No.:	Councillor Graham Jones - Tel (01235) 762744
E-mail Address:	gjones@westberks.gov.uk
Date Portfolio Member agreed report:	19 February 2009

Contact Officer Details	
Name:	David Lowe
Job Title:	Policy and Scrutiny Manager
Tel. No.:	01635 519817
E-mail Address:	dlowe@westberks.gov.uk

Implications

- Policy:** These arrangements will strengthen the Council’s policy development and review arrangements.
- Financial:** There is a possibility that a small additional sum may be required in additional payment for Select Committee chairmen, although this is subject to an Independent Remuneration Panel assessment. If required, the increase in payment will be met from existing Policy and Communication budgets.
- Personnel:** 5 members of staff from the Policy and Communication service will have their roles slightly adjusted.
- Legal/Procurement:** None.
- Property:** None.
- Risk Management:** None.
- Equalities Impact Assessment:** N/A.

Is this item subject to call-in?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box:		
The item is due to be referred to Council for final approval		<input checked="" type="checkbox"/>
Delays in implementation could have serious financial implications for the Council		<input type="checkbox"/>
Delays in implementation could compromise the Council’s position		<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>

Executive Summary

1. Introduction

- 1.1 This report sets out the proposals for change and improvement in the operation of the Council's Overview and Scrutiny function. These proposals are based on an assessment that in order to address existing weaknesses and to meet the emerging national government's local governance agenda (the requirement for the Council to scrutinise not only its own activities but also those of partner organisations) the structure and organisation of Scrutiny needs to change.
- 1.2 The report outlines the legislative requirement, the current arrangements, the emerging agenda and the proposals for change.

2. Proposals

- 2.1 It is proposed that the existing separation between the Overview and Scrutiny and Policy Development Commissions is replaced by a single structure that incorporates their existing responsibilities, along with those of the Health Scrutiny Panel.
- 2.2 The Structure would comprise an Overview and Scrutiny Management Commission to which would report Select Committees, focussed on the Sustainable Community Strategy themes of:
 - a. Healthier
 - b. Greener
 - c. Safer
 - d. Prosperous/Stronger
- 2.3 These Committees would be supplemented by another, taking on the role of the existing Resource Management Panel.
- 2.4 The revised structure would come in to operation from the beginning of Municipal Year 2009/10.

3. Conclusion

- 3.1 The changes proposed in the report will strengthen the Council's Scrutiny function to the benefit of the Council, the West Berkshire Partnership and the residents of the District. They will also provide evidence of sound governance to the Comprehensive Area Assessment inspectors.

Executive Report

1. Introduction

1.1 This report sets out the proposals for change and improvement in the operation of the Council's Overview and Scrutiny function. These proposals are based on an assessment that in order to address existing weaknesses and to meet the emerging national government's local governance agenda (the requirement for the Council to scrutinise not only its own activities but also those of partner organisations) the structure and organisation of Scrutiny needs to change.

1.2 The report outlines the legislative requirement, the current arrangements, the emerging agenda and the proposals for change.

2. Legislative position

2.1 To act as a political counterweight to the power wielded by the Cabinet or Executive, section 21 of the Local Government Act 2000 mandated the creation of an 'Overview and Scrutiny' function for non-Executive Members of every Council. Whilst there is considerable scope in the application of the legislation, the role for Overview and Scrutiny was and broadly remains:

- (1) holding the executive to account
- (2) policy development and review
- (3) external scrutiny

2.2 Since the 2000 Act the scope, power and extent of scrutiny has been further expanded through the legislation detailed in the table below.

Srl	Act	Scrutiny implications
01	Health and Social Care Act 2001	<p>Section 7 of this Act gave statutory functions in relation to the reviewing and scrutinising of local health service matters to overview and scrutiny committees of local authorities that hold responsibility for social services. The powers of overview and scrutiny of the National Health Service (NHS) enable committees to review any matter relating to the planning, provision and operation of health services in the area of its local authority. Health bodies have a statutory duty to provide the overview and scrutiny committee with any reasonable information about the planning and operation of health services in its area and regulations require Chief Executives of local NHS bodies to come before the committee to answer questions if requested.</p> <p>The Act also imposed a duty on NHS bodies to consult the local overview and scrutiny committee on substantial developments of, or variations to, the health service in the council's area as well as their annual statement to the Healthcare Commission on how they have complied with the NHS core standards.</p>

Srl	Act	Scrutiny implications
02	Local Government Act 2003	This Act modified the Local Government Act 2000 so as to provide local authorities in England with a power to grant voting rights to co-opted members of overview and scrutiny committees who are not elected members of the authority. This power may only be used in accordance with a scheme made by the local authority and the Secretary of State is empowered to make regulations in relation to the exercise by authorities of this power.
03	Police and Justice Act 2006	The Police and Justice Act, which has yet to come fully into effect, introduces the 'Community Call for Action' arising from the Government's 'Respect' agenda which covers a wide range of preventative and punitive measures in areas such as parenting, schools, housing, community and local public services. The Act states that every local authority shall ensure that it has a crime and disorder overview and scrutiny committee with power to review or scrutinise decisions made, or other action taken, in connection with the discharge of crime and disorder functions and to make reports or recommendations to the local authority or its executive with respect to the discharge of those functions.
04	Local Government and Public Involvement in Health Act 2007	This Act requires each local authority operating executive arrangements to ensure its overview and scrutiny arrangements enable any member of the authority to refer a local government matter to the relevant overview and scrutiny committee. It also gives powers to require information from partner authorities, for example those involved in the Local Strategic Partnership.

3. Scrutiny operation and management

3.1 In West Berkshire Council the overview and scrutiny function is operated primarily by the 'Overview and Scrutiny Commission' or OSC. The Commission's terms of reference are set out in the Council's constitution and broadly cover the requirements of section 21 of the 2000 Act. They do not however cover the 'policy development' requirement. This aspect of Scrutiny operation is the responsibility of three Policy Development Commissions (PDCs). In terms of policy, the Overview and Scrutiny Commission is restricted to 'policy review'.

3.2 The PDCs are aligned to the Council policy areas of:

- (1) Children & Young People (CYP)
- (2) Healthier Communities & Older People (HCOP)
- (3) Safer, Stronger and Sustainable Communities (SSSC).

3.3 The activity of the PDCs is directed by the Executive but may also be influenced by requests from the Overview and Scrutiny Commission.

- 3.4 The requirements of the Health and Social Care Act 2001 are met by the Council's Health Scrutiny Panel (HSP).
- 3.5 The Scrutiny function is managed by the Policy and Communication service and is directly supported by the Policy and Scrutiny Manager and the Policy Officer (Scrutiny Support). Scrutiny is the main activity for both these post holders.
- 3.6 In addition, the operation of the PDCs and the HSP are the responsibility of 4 Principal Policy Officers, one for each of the PDCs and one for the HSP.
- 3.7 Over and above the staff time identified in 3.5 and 3.6, officers from other services may also from time to time augment the work of the Policy and Communication service, providing subject matter expertise.

4. Observations on the current operational effectiveness

- 4.1 A SWOT analysis conducted by officers in early 2008 showed that the work carried out in Scrutiny is generally regarded as being of a high standard and provides a valuable input to the Council's strategic and operational business, although success is neither uniform nor consistent.
- 4.2 The OSC review of the heavy flooding that hit the District in July 2007 established a high benchmark against which all other Scrutiny activity can be measured. Set against this, sometimes Scrutiny work has lacked direction and activity is not always co-ordinated. This can result in the same issues being examined by two or more bodies or, perhaps of more concern, other issues being overlooked entirely. This is particularly the case if the issue has many aspects or is multi-disciplinary.
- 4.3 The current focus of the existing PDCs (Children and Young People; Healthy Communities and Older People; and Safer, Stronger and Sustainable Communities) is historical and may not actually reflect the areas of 'big issues' that now require Scrutiny attention.
- 4.4 There is a significant overlap between the activities of the HCOP PDC and the HSP. Whilst HCOP is viewed as being the most effective of the PDCs, the HSP has sometimes struggled to show where its activities have made a difference. This situation is not unique to West Berkshire and is, in fact, more usual within the local government community than the reverse.
- 4.5 The experience of Commission and Panel operation is that when there is a senior officer assisting the Chairman, effectiveness and focus are improved.
- 4.6 Whilst at its most obvious in the health arena, generally the distinction between policy review and policy development is not helpful to the operation of either the OSC or the PDCs. It is difficult to judge where review starts and development stops, and vice versa.
- 4.7 Historically, much review and development activity has been focussed on the internal operation of the Council. This is to the detriment of external scrutiny.

5. The need for change

- 5.1 In addition to the need to address the weaknesses set out in section 4, there are also external drivers for change.

- 5.2 The national agenda for councils clearly shows that they are expected to take more of a leadership role in developing their geographic areas of responsibility. This will mean more partnership work to address issues wider in scope than have hitherto been the case.
- 5.3 There is currently a 'democratic deficit' in the operation of Local Strategic Partnerships (LSP) that can cause tension between those who believe that they have a democratic mandate to provide leadership (Councillors) and other key local stakeholders who may view democratic operation – and the Council - as cumbersome and unwieldy (particularly those partner organisations operating in the private sector).
- 5.4 The government has recognised that Scrutiny has a role in addressing the democratic deficit and has legislated to address this, as reflected in srls 3 and 4 of the table at para 2.2.
- 5.5 Finally, the impending inspection regime, Comprehensive Area Assessment (CAA), will focus on the Council's engagement with the West Berkshire Partnership. The Audit Commission has already indicated that it expects to see that councils' Scrutiny functions are engaged with their LSPs.
- 5.6 Scrutiny is therefore encouraged to focus, and be seen to focus, on the outcomes that are required for the people of the District of West Berkshire as well as the operation of Council processes, inputs and outputs. This is a significant expansion.

6. Proposal for change

- 6.1 In order to improve the operation of Scrutiny to address the weaknesses outlined in section 4 and to meet the emerging requirements outlined in section 5, it is proposed that with effect from the beginning of Municipal Year 2009/10 all Scrutiny activity (policy development and review, holding the Executive to account and external Scrutiny) is carried out within a unified structure. This would be through a single management and co-ordinating body, to which would report a small number of Select Committees, as replacements for the PDCs and HSP.
- 6.2 This will allow the Council to meet the heightened demand for Scrutiny activity within existing resources. It will also have the not unwelcome effect of integrating Councillors more fully with the partnership. It should permit them to participate in policy development and review on outcomes that are more broad than the operation of just Council services (being the ones that matter to the people of West Berkshire), whilst ensuring that the required democratic checks and balances are applied to decisions made in and by the Partnership.
- 6.3 In application, 4 new Select Committees would be broadly aligned to the themes outlined in the Sustainable Community Strategy. Specifically these would be:
- (1) Healthier Select Committee
 - (2) Greener Select Committee
 - (3) Safer Select Committee
 - (4) Prosperous/Stronger Select Committee (these themes are combined as it is not assessed at this time that either independently could justify its own Committee)

- 6.4 The OSC's existing standing Panel (Resource Management) would continue to operate, although re-titled, giving 5 Select Committees in total.
- 6.5 A pictorial representation of the structure is shown at Appendix A.
- 6.6 An outline of the activities on which each of the Select Committees would focus is shown at Appendix B
- 6.7 In broad outline, the Select Committees would have the following attributes:
- (1) 1 x Chairman
 - (2) 1 x Vice Chairman
 - (3) 4 x other Elected Members (proportionality rules for membership would apply - currently 4 x Conservative, 2 x Liberal Democrat)
 - (4) Activity would be facilitated and guided by a senior officer (Director or Head of Service)
 - (5) Policy and Communication staff would provide research and clerical support
 - (6) Both policy development and review would be carried out
 - (7) Meetings would be scheduled every quarter, with additional meetings when required.
- 6.8 The direction and co-ordination of the Select Committees would be provided by a new body: the Overview and Scrutiny Management Commission (OSMC). In essence, this would be a replacement for the existing OSC. The OSMC would have the following attributes:
- (1) 1 x Chairman
 - (2) 1 x Vice Chairman
 - (3) 5 x chairmen of the Select Committees
 - (4) If required, membership would include additional opposition Members to meet the proportionality rules
 - (5) Activity would be facilitated and guided by the Chief Executive
 - (6) The Policy and Scrutiny Manager plus the Policy Officer (Scrutiny) to facilitate and support
 - (7) Performance monitoring conducted at this level
 - (8) Scrutiny activity will normally be delegated to the Select Committees, although It may conduct 'direct' (in-meeting) policy development and review for 'hot' topics (eg flooding or the recession)
 - (9) Monitoring of scrutiny activity by the Select Committees
 - (10) Call-ins would be carried out at this level
 - (11) Responses to Councillor Calls for Action would be formulated at this level
 - (12) Meetings every 6 weeks, following the Executive cycle.
- 6.9 The Terms of Reference for the OSMC and the Select Committees are shown at Appendices C and D respectively.
- 7. Consultation and feedback**
- 7.1 At their group meeting of 16 April, the Liberal Democrats expressed concern that the proposed membership of the Overview and Scrutiny Management Commission

(comprising the Chairmen of the Select Committees and one or two others only) may not be, nor seen to be, sufficiently objective or independent.

- 7.2 To address this concern, it was proposed that the Commission membership should comprise a Chairman, Vice Chairman and 8 other Councillors, none of whom would be a Select Committee chairman. The usual proportionality rules should also be set aside. The Select Committee Chairmen would report their activity to and be directed by this group.

8. Recommendation

8.1 It is recommended that the Governance and Audit Committee:

- (1) Accept fully the proposals as outlined in Section 6 of this report or as proposed for amendment in Section 7
- (2) Recommend the changes to Full Council at its meeting of 12 May 2009.

Appendices

Appendix A - Overview and Scrutiny proposed structure

Appendix B - Focus and activity of the Scrutiny Panels

Appendix C - Terms of Reference for the Overview and Scrutiny Management Commission

Appendix D - Terms of Reference for the Select Committees

Consultees

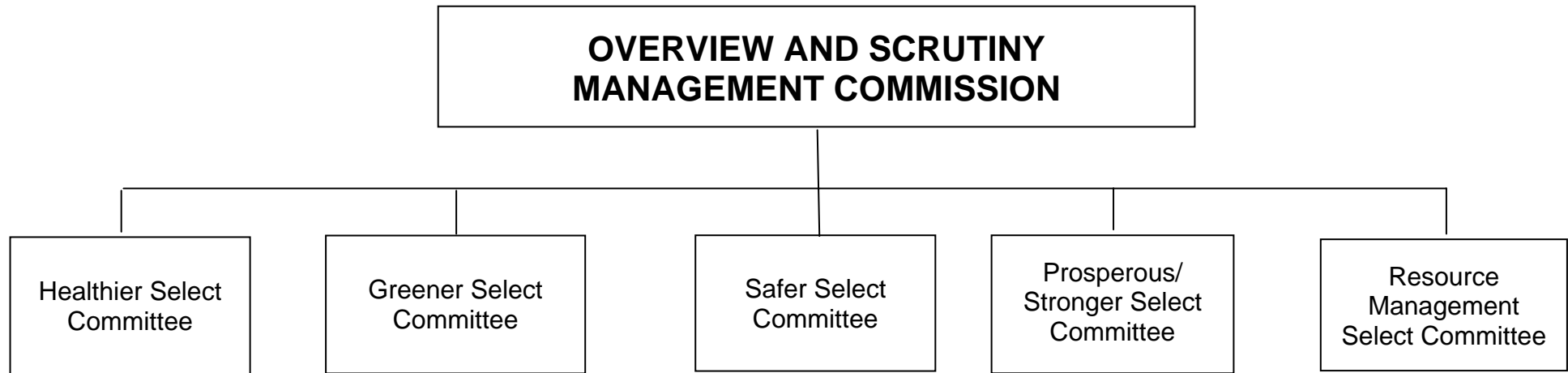
Local Stakeholders: Conservative Group, Liberal Democrats, Leader of the Opposition, OSC Chairman

Officers Consulted: Corporate Board, Head of Policy and Communication

Trade Union: -

Appendix A

Proposed Scrutiny Structure



Appendix B

Focus and Activity of the Select Committees

Healthier Select Committee

Operation supported by the Corporate Director – Community Services, aligned broadly to the activities of the Healthier Sustainable Community Strategy theme, focussed on:

- reducing health inequality
- improving health and well-being of local people
- ensuring children and young people can be healthy
- promoting the independence of vulnerable people.

Greener Select Committee

Operation supported by the Corporate Director – Environment, aligned broadly to the activities of the Greener Sustainable Community Strategy theme, focussed on:

- reducing West Berkshire's carbon footprint by:
 - increasing the use of renewable energy and becoming more energy and water efficient
 - reducing waste and increasing recycling
- increasing the use of local resources
- improving the sustainability of waste management
- maintaining the quality of the local environment.

Safer Select Committee

Operation supported by the Head of Policy and Communication, aligned broadly to the activities of the Safer Sustainable Community Strategy theme, focussed on:

- reducing crime and the fear of crime
- reducing anti-social behaviour
- ensuring that young people can stay safe
- reducing speeding and the numbers of injuries and deaths on our roads.

Prosperous and Stronger Select Committee

Operation supported by the Corporate Director – Children and Young People, aligned broadly to the activities of the Prosperous and Stronger Sustainable Community Strategy themes, focussed on:

- fostering a stronger sense of belonging within West Berkshire
- reducing inequality and disadvantage
- encouraging participation and engagement in community life
- ensuring local services remain accessible to the population they serve
- ensuring children and young people enjoy and achieve
- ensuring children and young people make a positive contribution
- ensuring children and young people achieve economic well being
- improve skill levels
- take action to address worklessness
- reduce the impact of the economic downturn
- improve access to information on training & employment

- tackle persistent skills & employment issues in targeted communities
- enabling sufficient housing to accommodate continued economic prosperity
- improving the condition of housing in West Berkshire
- increasing the provision of affordable housing.

Resource Management Select Committee

Operation supported by the Head of Finance, focus on the use of Council resources:

- Council's revenue and capital budgets
- annual budget outturn
- Council Plan priorities and objectives
- targets for efficiency savings,
- the Council's responsibility to deliver value for money,
- the impact on services, clients and performance.
- Medium Term Financial Strategy (MTFS) and the Gershon efficiency programme
- Quarterly Establishment Reports.
- the procurement strategy and its implementation.

Appendix C

Terms of Reference for the Overview and Scrutiny Management Commission

The Overview and Scrutiny Management Commission will:

1. Have overall responsibility for the management, co-ordination and development of the scrutiny function through which the decisions taken by the Executive and by committees and officers of the Council are scrutinised and the use of resources/provision of services are reviewed.
2. Be aware of the 'forward plan', the forward work programme and other anticipated decisions of the Executive and council services
3. Monitor the decisions taken by or on behalf of the Executive and the activities of service areas;
4. Co-ordinate the work programmes of the Overview and Scrutiny Select Committees and monitor progress against them.
5. Receive requests from members of the public, Councillors, officers of the Council, co-optees, the West Berkshire Partnership or other organisations for particular topics to be scrutinised and determine the appropriate action.
6. Receive proposals from the Select Committees for planned in-depth scrutiny review, investigation and report on issues relating to the Council's functions, and determine the appropriate action.
7. Appoint task-orientated, time-limited overview and scrutiny task groups to review in depth, investigate and report on a particular topic with such terms of reference and duration as it considers appropriate to that topic.
8. Consider and formally agree the reports of all task groups and submit them to the Executive and/or relevant agencies for response and action,
9. Consider and formally agree the reports of all Select Committees and submit them to the Executive for consideration.
10. Establish and develop effective working relationships between the Overview and Scrutiny Management Committee and Select Committees, the West Berkshire Partnership, the Executive and its members, committees and sub-committees of the Council and its officers.
11. Have responsibility for the development and co-ordination of the overview and scrutiny of partnerships and external bodies.
12. Have responsibility for progressing and monitoring the overall objectives of the overview and scrutiny function
13. Agree terms of reference and work plans of task groups and other time limited groups, (for example those dealing with Community Calls for Action), and monitor their progress.
14. Undertake overview and scrutiny work, in its own right, as deemed appropriate.

Appendix D

Terms of Reference for the Select Committees

The Select Committees will:

1. Have an overview of the practice and policy of the relevant thematic areas;
2. Identify areas of service practice and implementation or of policy that cause concern to members of the public and councillors and report these to the Overview & Scrutiny Management Committee to determine what action should be taken;
3. Receive internal and external inspection reports on the services and challenge the action plans drawn up in response to problems that have been identified; monitor progress in implementing the action plans;
4. Ensure that the communities of West Berkshire and specific users of services are able to be involved in and inform the work of the Select Committees;
5. Promote the work of the Select Committees, including through the local media.
6. Develop focussed programmes of work and identify the most appropriate means of progressing such work including the use of task groups;
7. Scrutinise the work of the local strategic partnership and its sub-partnerships, specifically the performance of the sub-partnerships in relation to the Local Area Agreement
8. Scrutinise the effectiveness of the Council's representatives in regional/sub regional and national forums.

Title of Report:	Proposed Changes to the Constitution - Licensing	Item 06
Report to be considered by:	Council	
Date of Meeting:	12 May 2009	
Forward Plan Ref:	C1830	

Purpose of Report: To propose changes to the Council's constitution to allow applications for review of premises licences under s52(2) / club premises certificates under s88(2) of the Licensing Act 2003 to be delegated to Licensing Sub-Committees to determine.

Recommended Action: To amend the Constitution as outlined above.

Reason for decision to be taken: To enable the determination of a review of a premises licence / club premises certificate to dealt with by a Licensing Sub-Committee

Key background documentation:

- Licensing Act 2003

The proposals will also help achieve the following Council Plan Theme:

CPT7 - Safer and Stronger Communities

The proposals contained in this report will help to achieve the above Council Plan Priorities and Themes by:

Enhancing the decision making process

Portfolio Member Details	
Name & Telephone No.:	Councillor Geoff Findlay (01635) 871992
E-mail Address:	gfindlay@westberks.gov.uk
Date Portfolio Member agreed report:	02 April 2009

Contact Officer Details	
Name:	Brian Leahy
Job Title:	Senior Licensing Officer
Tel. No.:	01635 519209
E-mail Address:	bleahy@westberks.gov.uk

Implications

Policy: There is no established policy on this subject.
Financial: There are no financial implications associated with this report
Personnel: None
Legal/Procurement: Any decision reviewing a premises licence/ club premises certificate is appealable through the Magistrates' Court.
Property: None
Risk Management: None
Equalities Impact Assessment: Not required

Is this item subject to call-in?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box:		
The item is due to be referred to Council for final approval		<input checked="" type="checkbox"/>
Delays in implementation could have serious financial implications for the Council		<input type="checkbox"/>
Delays in implementation could compromise the Council's position		<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>

Executive Summary

1. Introduction

- 1.1 The Licensing Act 2003 puts the duty to determine applications for review of premises licences or club premises certificates on the local licensing authority.
- 1.2 The Council's constitution at 3.1.4. states all such cases must be dealt with by Full Licensing Committee.
- 1.3 The Council's constitution at 3.1.3. states that any amendment to the Council's constitution must be made by Full Council.
- 1.4 A recent application for review has highlighted the practical difficulties of convening a full licensing committee to determine such matters, which should be dealt with promptly. Following that application, officers received a request from members to review the constitution to consider whether the duty under 1.1 can be delegated further.
- 1.5 Having reviewed the legislation which states a hearing must be held to consider applications to review premises licences/ club premises certificates, officers concluded that this power could not be delegated to officers but it would be appropriate for this function to be delegated to Licensing Sub-Committees.

2. Recommendations

- 2.1 The Licensing Committee on 23rd February 2009 resolved that licensing officers take forward a recommendation to the Council's Governance and Audit Committee and then to full Council that the constitution be amended to permit the delegation of the power to determine applications for the review of premises licences / club premises certificates to Licensing Sub-Committees through the appropriate channels.

Appendices

Appendix A - Extract from Part 3 Scheme of Delegation

Appendix B - Extract from Regulatory and Other Committees Rules of Procedure

Consultees

Local Stakeholders: None

Officers Consulted: Jason Teal, Trina McFarlane, Corporate Board

Trade Union: None

3.1.1 Table 3 - Summary of Licensing Authority functions in accordance with the Licensing Act 2003 (except where delegated below)

Matter to be dealt with	Full Committee	Sub-Committee	Officers
Application for a Premises Licence (Section 18(3))		If a representation is made	If no representation is made
Application for a Personal Licence (Section 120(7))		If a representation is made	If no representation is made
Application for a Personal Licence with unspent convictions		All cases	
Application for Premises Licence/Club Premises Certificate (Section 18(3) and 72(3))		If a representation is made	If no representation is made
Application for provisional statement (Section 31(3))		If a representation is made	If no representation is made
Application to vary Premises Licence/Club Premises Certificate (Sections 35(3) and 85(3))		If a representation is made	If no representation is made
Application to vary designated Personal Licence (Section 39(3))	If Police representation		All other cases
Request to be removed as a designated Personal Licence holder			All cases
Application for transfer of Premises Licence (Section 44(5))	If Police representation		All other cases
Application for interim Authorities (Section 48(3))	If Police representation		All other cases
Application to review Premises Licences/Club Premises Certificate (Sections 52(2) or (3) and 88(2) or (3))		All cases	
Decision on whether a complaint is irrelevant, frivolous or vexatious			Officer in consultation with the Chairman and Vice-Chairman of the Licensing Committee or other appropriate appointed Members for this purpose.

Matter to be dealt with	Full Committee	Sub-Committee	Officers
Decision to object when Local Authority is a consultee and not the lead Authority			All cases
Determination of a Police representation to a temporary event notice (Section 105(2))		All cases	
Rights of Entry to investigate Licensable activities (Section 179)			Licensing Officers

Appendix B

Changes to Part 7 Regulatory and Other Committees Rules of Procedure

7.14 Licensing Applications

7.14.2 Procedure

The following procedure shall apply in respect of each item where any of the aforementioned persons are present:

- Introduction of item by Officers;
- Representation by Applicant/Agent;
- Members' questions to Applicant/Agent;
- Questioning of Applicant/Agent by interested parties;
- Representations by objector(s);
- Members' questions to objector(s);
- Questioning of objector(s) by interested parties;
- Representations by supporter(s);
- Members' questions to supporter(s);
- Questioning of supporter(s) by interested parties;
- Representations by Responsible Authorities;
- Members' questions to Responsible Authorities
- Questioning of Responsible Authorities by interested parties;
- Representations by Ward Member;
- Members' questions to Ward Member(s);
- Questioning of Ward Member(s) by interested parties;
- Applicant/Agent's right to address comments made at the Sub-Committee meeting;
- Consideration of application by Members.
- In cases of application for review of an existing premises licence/ club certificate only
- Introduction of item by Officers;
- Representation by Applicant/Agent;
- Members' questions to Applicant/Agent;
- Questioning of Applicant/Agent by interested parties;
- Representations by supporter(s);

- Members' questions to supporter(s);
- Questioning of supporter(s) by interested parties;
- Representations by Responsible Authorities;
- Members' questions to Responsible Authorities
- Questioning of Responsible Authorities by interested parties;
- Representations by the premises licence holder/ club certificate holder;
- Members' questions to the premises licence holder/ club certificate holder;
- Questioning of the premises licence holder/ club certificate holder by interested parties;
- Representations by objector(s);
- Members' questions to objector(s);
- Questioning of objector(s) by interested parties;
- Representations by Ward Member;
- Members' questions to Ward Member(s);
- Questioning of Ward Member(s) by interested parties;
- Applicant/Agent's right to address comments made at the Sub-Committee meeting;
- Premises licence holder/ club certificate holder's right to address comments made at the Sub-Committee meeting;
- Consideration of application by Members.

[Note: Questions raised as part of the above process must either be for clarification, be relevant to the application or the Council's Licensing Policy]

7.14.3 Time Allowed

The total time allowed for speeches in respect of each of the following groups of speakers shall not exceed ten minutes or such longer period as the Chairman may allow with the consent of the Sub-Committee:

- Applicant;
- Objectors;
- Supporters;
- (In cases of application for review of an existing premises licence/ club premises certificate only) Premises licence holder/ club premises certificate holder
- Each Responsible Authority as defined by the Act; eg Police, Environmental Health;
- Ward Member(s)
- Applicant/Agent whilst addressing comments made at the Sub-Committee meeting

- (In cases of application for review of an existing premises licence/ club premises certificate only) Premises licence holder/ club premises certificate holder whilst addressing comments made at the Sub-Committee meeting.

Where more than one objector to an application wishes to speak the Chairman may if he/she considers it convenient and conducive to the despatch of the business of the meeting require that a spokesperson be appointed to represent the views of the objectors or supporters as the case may be.

[Note: If the Sub-Committee consents to a longer period for speeches this will be applicable for all those groups of speakers as set out above.]

7.14.4 Continuation of Meeting

Meetings of Committees and Sub-Committees shall not normally continue past 10.00pm. If, however, the Chairman believes that business can be concluded by 10.30pm, a Motion under Rule 7.6.2 (Motions which may be moved without notice) must be moved and supported by a majority of those Members present. All meetings will conclude by 10.30pm at the latest.

7.14.5 Suspension or Variation

The Chairman may:

- suspend the operation of Rule 7.14.3 above (Time Allowed) during the consideration of any application or for the remainder of the meeting if he/she considers it necessary so to do for the purpose of maintaining order at the meeting; or
- vary the order of representations if he/she considers that it is convenient and conducive to the despatch of the business and will not cause any prejudice to the parties concerned.

Title of Report:	Internal Audit Strategy & Plan 2009-12	Item 7
Report to be considered by:	Governance and Audit Committee	
Date of Meeting:	27 April 2009	

Purpose of Report: To consider the proposed work programme of Internal Audit.

Recommended Action: To approve the work programme of Internal Audit.

Reason for decision to be taken: To ensure that there is an adequate internal audit of the Council's systems and procedures so that an audit opinion can be given on the soundness of the Council's internal control framework.

Key background documentation: None

The proposals contained in this report will help to achieve the above Council Plan Themes and Outcomes by:
Strengthening the Internal Control Framework

Portfolio Member Details	
Name & Telephone No.:	Councillor Laszlo Zverko - Tel 0771 2858197
E-mail Address:	lzverko@westberks.gov.uk
Date Portfolio Member agreed report:	19 March 2009

Contact Officer Details	
Name:	Ian Priestley
Job Title:	Assurance manager
Tel. No.:	01635 519253
E-mail Address:	ipriestley@westberks.gov.uk

Implications

Policy: none
Financial: none
Personnel: none
Legal/Procurement: none
Property: none
Risk Management: none
Equalities Impact Assessment: none

Executive Summary

1 Introduction

- 1.1 The purpose of this report is to outline an Audit Strategy for the Council and to set out a programme of work for Internal Audit that will provide assurance to the Governance and Audit Committee on the operation of the Council's internal control framework and support the Committee's review of the Annual Governance Statement.
- 1.2 Internal Audit is there to help Services deliver the Council Plan by identifying and helping to mitigate weaknesses in service delivery systems and procedures.

2. Proposals

- 2.1 The work programme for Internal Audit for the period 2009-12 is attached at **appendix B**. The plan analyses the different areas of Council activity that Internal Audit feel require auditing. The Plan is laid out by, Corporate Audits, then by Head of Service.
- 2.2 The process of putting the plan together is extensive in terms of the documents and people who are consulted. This includes Heads of Service and Corporate Board:
- 2.3 The work programme is based on levels of risk. The risk registers are used to inform the level of risk where appropriate and this is supplemented by an audit view of risk.
- 2.4 The work produced by Internal Audit is designed to identify and remedy weaknesses in the internal control framework.

3. Conclusion

- 3.1 The Internal Audit Strategy and Plan are designed to provide assurance on the adequacy of the internal control framework.

Executive Report

1 Introduction

1.1 The purpose of this report is to outline an Audit Strategy for the Council and to set out a programme of work for Internal Audit that will provide assurance to the Governance and Audit Committee on the operation of the Council's internal control framework and support the Committee's review of the Annual Governance Statement.

1.2 The report covers the following points:

- Audit objectives and outcomes
- How audit work is planned to ensure significant local and national issues are addressed.
- Basis for the opinion of the head of audit on the internal control framework
- Methods of providing and resourcing of the service.

2 Audit Objectives and Outcomes

2.1 The objectives for Internal Audit are set out in the Audit Charter which forms an appendix to the Terms of Reference of the Governance and Audit Committee. This is summarised in the definition of Internal Audit, taken from the CIPFA Code of Practice for Internal Audit 2006. The full charter is attached at **appendix A**

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

2.2 In plain English, Internal Audit is there to help Services deliver the Council Plan by identifying and helping to mitigate weaknesses in service delivery systems and procedures.

2.3 The main outcomes from the work of Internal Audit are:

- Audit reports produced at the conclusion of each audit, for the relevant Head of Service and Director.
- Monitoring reports on progress with implementation of agreed audit recommendations
- Quarterly reports for Management Board and Governance and Audit Committee on the outcomes of Internal Audit work
- An annual assurance report for the Governance and Audit Committee.

3 Audit Planning

3.1 The work programme for Internal Audit for the period 2009-12 is attached at **appendix B**. The plan analyses the different areas of Council activity that Internal Audit feel require auditing. The Plan is laid out by, Corporate Audits, then by Head of Service and for each audit covers:

- The key risks that the audit will cover
- The level of risk associated with the subject, as assessed by Internal Audit
- The type of audit
- An initial estimate of the number of days that will be required to complete the audit, and the year in which the audit is planned
- The month that the audit is planned to be carried out (for main financial systems only as these need to be audited every year)
- The business owner, ie Head of Service
- The Group Auditor who will be responsible for the work.

3.2 The process of putting the plan together is extensive in terms of the documents and people who are consulted. The following identifies the key drivers:

- The Council Plan. This is reviewed to ensure that audit resources are used to support the delivery of Council objectives.
- The Council's risk registers, particularly the Strategic Risk Register. This is used to highlight areas where assurance is required for controls that are in place to significantly reduce levels of risk to the Council.
- New emerging issues / risks eg Governance arrangements of the many partnerships the Council now works with, changes to the Use of Resources methodology.
- Results of previous audit, inspection and scrutiny work, by internal teams and external agencies, is considered.
- The views of stakeholders, Heads of Service, Corporate Board, Management Board are considered.
- Plans are discussed with the external auditor to ensure that there is no unnecessary duplication of effort.

3.3 The work programme is based on levels of risk. The risk registers are used to inform the level of risk where appropriate and this is supplemented by an audit view of risk. This takes account of:

- Results of risk self assessments (Strategic and Operational Risk Registers);
- Complexity/scale of system and processes / volume and value of transactions;
- Fraud and corruption - eg the risk of fraud or corruption occurring;
- Inherent risk - eg degree of change/instability/confidentiality of information;
- Internal Audit knowledge of the control environment based on previous audit work.

3.4 The full plan identified by the above needs assessment will not be completed. The plan has been colour coded to highlight those audits that will be carried out, Green, those that will not be carried out because of managed vacancy and maternity leave, yellow, and those that will not because of limits to the establishment, Red. See paragraph 5 for more detail.

4 Audit approach and opinion

4.1 The work of Internal Audit forms the basis of the opinion given by the head of audit on the Council's internal control framework. The work of Internal Audit is regulated by the CIPFA Code of Practice for Local Government. This sets out the standards

and methods that should be applied in doing the work. At an operational level Internal Audit have a procedure manual that explains in detail how work is delivered. In addition a Audit Protocol is published to all Heads of Service setting out how the service operates. A copy of this is at **Appendix C**

- 4.2 There are a number key elements to the process that ensure the output from audit is fit for purpose.
- Consultation takes place at various stages of each audit with the service under review (Terms of reference, rough and formal draft and final reports and action plans are all discussed and agreed with the service under review)
 - Audits are followed up to ensure that agreed actions are implemented. (Method and approach to follow up work varies depending on the nature of the issues identified in the original audit)
 - Summary reports are produced so that Directors and Heads of Service are up to date with progress of audit work
 - All audit work is reviewed by a Group Auditor before being released. (The review process is ongoing during the course of each audit)
 - An annual review of the system of Internal Audit is now carried out by the Governance and Audit Committee.
 - The head of audit carries out quality reviews of audit files on a sample basis
- 4.3 The work produced by Internal Audit is designed to identify and remedy weaknesses in the internal control framework. Weaknesses that are identified are categorised according to their severity (fundamental, significant, moderate and minor).
- 4.4 Taken together, the above provides a sound basis for the head of audit to provide an annual opinion of the internal control framework of the Council.

5 Service provision and resourcing

- 5.1 The initial needs assessment for the audit plan that was prepared by Internal Audit indicated that audit work beyond that deliverable by the existing audit establishment was required. Details of the audits that will not be done because of limits to the establishment are noted in Red in Appendix B. However, it is the opinion of the head of audit that West Berkshire Council's Internal Audit service is resourced adequately (at establishment) in comparison with other Berkshire Council's.
- 5.3 The revised audit plan, ie excluding those audits referred to in 5.3 and highlighted in red, is deliverable with a full complement. However, one Senior Auditor post remains vacant due to the need to deliver managed vacancy savings. In addition we expect one of our Auditors to be on maternity leave for most of the year. Clearly this will have a major impact on the work the service is able to deliver. The audits that will not be carried out because of these vacancies have been highlighted in yellow. The audits highlighted in green should be completed.
- 5.4 The impact of the planned vacancies is manageable in terms of levels of risk to the Council for a single year. However, this is not sustainable in the medium term and will compromise the assurance that Internal Audit delivers.

Appendices

Appendix A – Audit Terms of Reference

Appendix B – Audit Plan

Appendix C – Audit Protocol

Consultees

Local Stakeholders: Not consulted

Officers Consulted: Not consulted

Trade Union: Not consulted

Appendix A

AUDIT CHARTER

1 Definition and Purpose of Internal Audit

1.1 The CIPFA Code of Practice for Internal Audit in Local Government (2006) defined Internal Audit

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

1.2 Internal Audit is a statutory service in the context of the Accounts and Audit Regulations 2006, which state in respect of Internal Audit:

1.3 'A relevant body shall maintain an adequate and effective system of internal audit of its accounting records and its system of internal control in accordance with the proper internal audit practices.'

1.4 The existence of an Internal Audit function does in no way diminish the responsibility of management to establish systems of internal control to ensure that activities are conducted in an efficient, secure and well ordered manner within the Authority.

2 Responsibility & Objectives

2.1 As an independent appraisal function within the Authority, the objectives of Internal Audit are:

- To review, appraise and report on the adequacy of internal controls as a contribution to the economic, efficient and effective use of resources.
 - Ascertain the extent of compliance with procedures, policies, regulations and legislation.
 - Provide reassurance to management that their agreed policies are being carried out effectively
 - Facilitate good practice in managing risks
 - Recommend improvements in control, performance and productivity in achieving corporate objectives.
 - Review the value for money processes, best value arrangements, systems and units within the Authority.
 - Work in partnership with External Audit
 - Identify fraud as a consequence of its reviews and deter crime.
-

3 Scope and Accountability

- 3.1 Internal Audit as a function will remain independent of the Authority's operational activities, and its auditors will undertake no operational duties. This will allow auditors to perform duties in a manner which facilitates impartial and effective professional judgements and recommendations.
- 3.2 The scope of Internal Audit allows for unrestricted coverage of the Authority's activities and access to all staff, records and assets deemed necessary in the course of the audit.
- 3.3 Accountability for the response to advice and recommendations made by Internal Audit lies with the management of the Authority. Management can accept and implement advice and recommendations provided or formally reject it. Internal Audit is not responsible for the implementation of recommendations or advice provided.
- 3.4 Internal Audit sits within the Finance Service and supports the statutory functions of the Head of Finance. However, Internal Audit is also accountable to the Governance and Audit Committee for the delivery of assurance in relation to the Council's system of internal control

4 Reporting

- 4.1 All audit assignments will be the subject of a formal report written by the appropriate auditor. The report will include an 'opinion' on the adequacy of controls in the area that has been audited.
- 4.2 Every Internal Audit report issued, is subject to a follow up in order to ascertain whether actions stated by management in response to the audit report have been implemented. Internal Audit will determine if progress made in response to recommendations stated in the issued audit report is satisfactory, or if a further follow up is required.
- 4.3 Internal Audit will prepare quarterly reports for the Governance and Audit Committee and give an opinion on the Council's internal control framework.
- 4.4 Internal Audit will bring to the attention of the Governance and Audit Committee any serious matters of concern that may arise in the course of audit work

5 Resources

- 5.1 Internal Audit will prepare an Audit Strategy each year that sets out the aims and objectives of the service.
- 5.2 A detailed risk based plan of work will be prepared for approval by the Governance and Audit Committee, including the resources required to carry out the work. This will set out the key areas / risks that are to be subject to audit. It will also identify any gap between the assessment of need for audit work and the resources available to carry that work out.

	Key risks to be covered	Risk Assessment	Audit Type	Date last audited	2008-09 Days Actual	2009-10 Days Est	2010-11 Days Est	2011-2012 Days Est	TOTAL Days 2009-2012 Est	Fieldwork Date	Business Owner
Corporate Audits											
	Income collection - spot checks	a) Theft/Fraud	High	AFW	2007-08	18	20	20	20	60	
F	NFI Investigation work	a) payroll fraud b) Low score on the U of R	High	AFW	2007-08	30	60	20	20	100	
	Timelord	a) Project Governance may be weak b) budget may be inadequate c) Cost control and monitoring may be weak	High	SR			20			20	
	BSF	a) Project Governance may be weak b) budget may be inadequate c) Cost control and monitoring may be weak	High	SR			20			20	
	Budgetary Control	a) Budget build may be inaccurate b) Data may be inaccurate c) Budget monitoring may be late / inaccurate	High	SR			20			20	
	Data Quality	a) Performance indicators data inaccurate / incorrect	High	SR			20	20	20	60	
	Use of Consultants	a) Fined by the Inland Revenue b) Inappropriate people being appointed c) Insufficient budget available to meet the consultants	Medium	SR	2007-08		20			20	
	Partnership Development	a) Governance arrangements weak b) Anti Fraud weak c) Delivery not monitored	High	SR	2007-08		25			25	
	Governance arrangements	a) Illegal Decisions b) Poor decision making structures c) Ineffective rules of procedure d) Constitution not up to date e) Codes of Conduct ineffective	High	SR	2002-03		30			30	
	Project Management	a) Governance of Capital Programme b) Use of PMM	High	SR	2003-04		20			20	
	Income generation	a) Regular review of level of charges b) Scope of charging	High				20			20	
	Procurement	a) Shared arrangements b) Compliance with CRP	High				20			20	
	Establishment Control	a) Inaccurate information b) Poor cost control c) Poor resource	High	SR	2007-08		20		20	40	
						48	315			375	

Internal Audit Work Programme - 2008-11 Reports submitted to Governance & Audit Committee on 27 April 2009

Key risks to be covered		Risk Assessment	Audit Type	Date last audited	2008-09 Days Actual	2009-10 Days Est	2010-11 Days Est	2011-2012 Days Est	TOTAL Days 2009-2012 Est	Fieldwork Date	Business Owner
Head of Finance (JG)											
Insurance	a) Inappropriate assessment of uninsured losses b) inaccurate claims record for management information	Low	SR	2002-03			15		15		Head of Finance
Governance / Risk Management	a) Non compliance with CPA requirements b) Ineffective framework for SIC reporting	High	SR	2007-08				15	15		Head of Finance
Health and Safety	a) Non compliance with H&S Legislation - legal action/penalties	High	SR	2005-06		15			15		Head of Finance
Webrisk	a) Poor use of information	Medium	SR	2008-09	15				0		Head of Finance
Contract letting	a) Non-compliance with Contract rules of Procedure b) Non compliance with EU legislation c) Corruption	Medium	ACW	2004-05				15	15		Head of Finance
Contract monitoring	a) Non-compliance with Contract rules of Procedure b) Contract spec not met c) Contract costs exceeded	Medium	SR	2007-08			20		20		Head of Finance
F	General Ledger (managed audit)	a) Inaccurate information for management decisions b) Budgets exceeded c) Qualified accounts	Medium	KFS	2008-09	10	10	10	30	August	Head of Finance
F	Fixed Asset Register (managed audit)	a) Non compliance with accounting standards b) Qualified Accounts	Low	KFS	2008-09	10	10	10	30	April/May	Head of Finance
	Budget Monitoring	a) Inaccurate Information b) poor decision making	High	SR	2007-08		20		20		Head of Finance
	Capital planning / programme	a) Ineffective project management - budgets exceeded/deadlines exceeded/outcome does not meet client needs	High	SR	2004-05		20		20		Head of Finance
	MTFS	a) Council's financial targets are not realised b) Budget pressures c) Increases in Council Tax	High	SR	2006-07			15	15		Head of Finance
F	Treasury Management (managed audit)	a) Inappropriate cashflow decisions - income not maximised b) Legislation/Internal polices not complied with	Low	KFS	2008-09	10	10	10	30	September	Head of Finance
F	Bank Reconciliation	a) Inappropriate transactions processed through the bank b) Inaccurate year end accounts c) Qualified opinion from External Auditors	Medium	OR	2005-06		10		10		Head of Finance
	VAT	a) Non compliance with Customs and Excise requirements - financial penalties	Medium	OR	2003-04		15		15		Head of Finance
Total					45	60	115	75	250		

Internal Audit Work Programme - 2008-11 Reports submitted to Governance & Audit Committee on 27 April 2009

Key risks to be covered

		Risk Assessment	Audit Type	Date last audited	2008-09 Days Actual	2009-10 Days Est	2010-11 Days Est	2011-2012 Days Est	TOTAL Days 2009-2012 Est	Fieldwork Date	Business Owner
Head of HR (JG)											
Recruitment (process)	a) Delays in appointing staff - disruption to service delivery b) Non compliance with employment legislation c) CRB failure	High	SR	2008-09	20				0		HR
Absence Management	a) Council's sickness policy not being adhered to b) Inaccurate information for performance management	High	SR	2008-09	15				0		HR
Code of Conduct / HR Policies & Procedures	a) Staff not being managed consistently/to the Council's standards required standards b) New managers not being aware of the required standards and related procedures	Medium	SR	2007-08			15		15		HR
Corporate Training	a) failure to develop staff /inform staff of corporate policies and procedures	Medium	SR	2003-04				15	15		HR
Total					35	0	15	15	30		

Key risks to be covered

		Risk Assessment	Audit Type	Date last audited	2008-09 Days Actual	2009-10 Days Est	2010-11 Days Est	2011-2012 Days Est	TOTAL Days 2009-2012 Est	Fieldwork Date	Business Owner
Head of Legal and Electoral Services (SC)											
Registrars Service	a) Ineffective budgetary control, b) Insufficient control of income, c) Insufficient control of assets, d) Inappropriate expenditure	Low	OR	2005-06			10		10		Legal
Legal Services	a) Ineffective budgetary control	High	OR	2003-04		10			10		Legal
Child Care Lawyers	a) Incorrect submission of charges by WB, b) Ineffective communication with Children's' services, c) Cases wrongly undertaken by WB, d) Reading costs in WB figures	Medium	OR	2004-05			10		10		Legal
Electoral Services	a) Non compliance with legislation, b) Inappropriate entries on register, c) Incorrect payments/expenditure/charges	Low	OR	2005-06			10		10		Legal
Land Charges	a) Non compliance with legislation b) Income collection not effective	Low	OR	2007-08					0		Legal
total					0	10	30	0	40		

Key risks to be covered

Risk Assessment Audit Type Date last audited 2008-09 Days Actual 2009-10 Days Est 2010-11 Days Est 2011-2012 Days Est TOTAL Days 2009-2012 Est Fieldwork Date

Business Owner

Head of Policy and Communication (SC)

LAA/PSA2	a) Targets not achieved b) Governance framework not in place c) ineffective communication between parties	High	SR	2008-09		20				20	Policy and Communication
Service Planning/targets and delivery	Service Delivery / intervention / CPA	Medium	SR	Not audited				15		15	Policy and Communication
Performance Management	Legal obligations / service delivery / Performance indicators (EPMG)	Medium	SR	Not audited		20				20	Policy and Communication
Grants (inc Economic Development)	Recession / Downturn in economy	Low	SR	2006-07				15		15	Policy and Communication
Members expenses	a) Inappropriate payments, b) Over payments on budgets, c) Non compliance with legislation/policies	High	OR	2002-03		15				15	Policy and Communication
Complaints / Code of Conduct	a) Ineffective polices and processes in place, b) Non compliance with policies/processes	Medium	SR	Not audited						0	Policy and Communication
Data Protection / Freedom of Information	a) Non compliance with legislation b) No Standard approach for dealing with requests c) Adequate records not maintained of requests/responses	High	SR	2006-07				20		20	Policy and Communication
Scrutiny	a) Ineffective Scrutiny	Medium	SR	Not audited						0	Policy and Communication
Intranet/Internet/Communication/Publications		Medium	SR	Not audited		15				15	Policy and Communication
total						0	70	20	30	120	

Key risks to be covered			Risk Assessment	Audit Type	Date last audited	2008-09 Days Actual	2009-10 Days Est	2010-11 Days Est	2011-2012 Days Est	TOTAL Days 2009-2012 Est	Fieldwork Date	Business Owner
Head of Benefits and Exchequer (JG)												
F	Payroll / PAYE (managed Audit)	a) Ghost employees set up b) Inaccurate payments made c) Inaccurate deductions made	High	KFS	2007-08	30	15	15		30	October	Benefits and Exchequer
F	Accounts Payable (managed audit)	a) Inappropriate/fraudulent payments b) budgets exceeded	High	KFS	2007-08	15	15	10	10	35	November	Benefits and Exchequer
F	Accounts Receivable (managed audit)	a) Council's cashflow affected b) Income not maximised	High	KFS	2007-08	10	15	10	10	35	November	Benefits and Exchequer
	Car Loans & Car Leasing	a) Inaccurate payroll deductions b) Non compliance with Inland Revenue requirements	Low	OR	pre 2001				15	15		Benefits and Exchequer
	Travel and Subsistence	a) Fraudulent claims b) Inaccurate payments c) New system	High	AFW	2002-03				10	10		Benefits and Exchequer
	Cash Office	a) Inaccurate processing of income - affecting cash flow decisions b) Fraud/theft c) Accounts could be qualified	Medium	AFW	2006-07				10	10		Benefits and Exchequer
F	National Non-domestic Rates (managed audit)	a) Non compliance with legislation b) Inaccurate calculation of contribution to pool c) Qualified accounts	High	KFS	2007-08	15	15	10	10	35	June	Benefits and Exchequer
F	Housing Benefits (managed audit)	a) Non compliance with legislation b) Inaccurate/inappropriate payments made c) Accounts qualified	High	KFS	2007-08	20	15	10	10	35	May	Benefits and Exchequer
F	Council Tax (managed audit)	a) Non compliance with legislation b) Income collection not maximised c) Accounts qualified	High	KFS	2007-08	20	15	10	10	35	August	Benefits and Exchequer
Total						110	90	65	85	240		

Key risks to be covered

Risk Assessment

Audit Type

Date last audited

2008-09 Days Actual

2009-10 Days Est

2010-11 Days Est

2011-2012 Days Est

TOTAL Days 2009-2012 Est

Fieldwork Date

Business Owner

Head of Property (SC)

Commercial Rents	a) Non compliance with legislation, b) Loss of income/increased void periods, c) Misappropriation of leases	High	OR	2008-09	20			20	20	Property
Asset management	b) Non compliance with legislation, b) Mis mgt of asset portfolio	Medium	SR	2005-06			15		15	Property
Building Maintenance	a) Ineffective maintenance programme, b) Non compliance with legislation (internal, EU tendering policies)	High	OR	2008-09	20			20	20	Property
Facilities Management	a) Poorly maintained facilities, compromised H&S, b) Theft of stock items, c) Ineffective out of hours service	Medium	OR	2003-04				20	20	Property
Project Management	a) Failure to deliver major projects on budget, timely manner, to meet need of clients, b) Non compliance with legislation	High	SR	not audited		15			15	Property
Clean and Green agenda	a) Failure to deliver change b) failure to deliver cost savings	Medium	SR	not audited				15	15	
total					40	15	50	40	105	

Key risks to be covered

Risk Assessment Audit Type Date last audited 2008-09 Days Actual 2009-10 Days Est 2010-11 Days Est 2011-2012 Days Est TOTAL Days 2009-2012 Fieldwork Date Est Business Owner

Head of I.T. (JG)

I.T. Strategy	a) Does not meet changing needs of the organisation b) Progress not measured/monitored - objectives not achieved	High	SR	2007-08			15		15		ICT	
Software licenses	a) Non compliance with legislation (software licenses)	Low	OR	2003-04					0		ICT	
Change control Management	a) Inappropriate changes b) Changes do not meet the needs of	Medium	OR	2005-06			15		15		ICT	
Project Management (IT investment)	a) Systems do not meet business/user needs b) Escalation of costs/time to implement	High	SR	2006-07				20	20		ICT	
Post Implementation Reviews (IT investment)	a) Systems do not meet business/user needs b) Escalation of costs/time to resolve system issues	High	SR	2004-05					0		ICT	
Ensure continuous service	a) Contingency plan not in place/not effective - service delivery affected	High	SR	2002-03			15		15		ICT	
Ensure systems security	a) Unauthorised access to data - data could be amended/destroyed/sensitive data made public	High	SR	2008-09	20			20	20		ICT	
Manage problems and incidents (help desk)	a) Interruptions to service delivery b) Staff performance adversely affected	High	OR	2004-05			15		15		ICT	
Manage data (File controls)	a) Inaccurate/lost data	Medium	OR	2004-05				10	10		ICT	
EDI	a) Inaccurate/inappropriate electronic transactions	Medium	OR	Not audited			15		15		ICT	
Print Unit	a) Inefficient operations b) Delivery targets not met	Low	OR	Pre 2001			15		15		ICT	
Business Continuity Planning	a)Flu / fire / flood / terrorism / service delivery	High	SR	2007-08				20	20		ICT	
I.T. Asset Management	a) Loss of I.T assets - increased cost on replacement equipment	Medium	OR	2007-08				15	15		ICT	
total							20	30	70	75	175	

Key risks to be covered

Risk Assessment

Audit Type

Date last audited

2008-09 Days Actual

2009-10 Days Est

2010-11 Days Est

2011-2012 Days Est

TOTAL Days 2009-2012 Est

Fieldwork Date

Business Owner

Head of Community Care (JG)

Agency Staff	a) Inappropriate people could be appointed - risk to client b) Budgets could be exceeded c) Standards of service required not met	High	OR	2004-05		15				15		Community Care
Assessment of Needs/Purchase of Care - (MH/LD)	a) Legislation is not adhered to b) Inappropriate care packages c) Budgets could be overspent	Medium	OR	2004-05 or 2008-09	15			20		20		Community Care
Assessment/Purchase of Care - Respite	a) Legislation is not adhered to b) Inappropriate care packages c) Budgets could be overspent	Medium	OR	Not audited				15		15		Community Care
Day centres (3)	Establishment reviews - key risks - budgetary control/appropriateness of expenditure	Low	OR	2006-07						0		Community Care
Carers grant	a) Budgetary control b) effectiveness of arrangement not monitored	High		Not audited		15				15		Community Care
Direct Payments	a) Non compliance with legislation b) Inaccurate payments c) Inappropriate use of bank account d) Clients needs not met	Medium	OR	2004-05		20				20		Community Care
total					15	50	15	20		85		

Key risks to be covered

		Risk Assessment	Audit Type	Date last audited	2008-09 Days Actual	2009-10 Days Est	2010-11 Days Est	2011-2012 Days Est	TOTAL Days 2009-2012 Est	Fieldwork Date	Business Owner
Head of Older Peoples Services (JG)											
Residential Homes - Elderly (4)	Establishment review - key risks - budgetary control/appropriateness of expenditure	Low	OR	2006-07				6	6		Older People
Assessment of needs/Purchase of care - Home Care	a) Legislation is not adhered to b) Inappropriate care packages c) Budgets could be overspent	Medium	OR	2006-07			20		20		Older People
Assessment of needs/Purchase of care - Respite	a) Legislation is not adhered to b) Inappropriate care packages c) Budgets could be overspent	Medium	OR	Not audited			10		10		Older People
Day care centres (5)	Establishment reviews - key risks - budgetary	Low	OR	2005-06				3	3		Older People
Assessment/Purchase of Care - Residential	a) Legislation is not adhered to b) Inappropriate care packages c) Budgets could be overspent	Medium	OR	2001-02			15		15		Older People
Intermediate Care - Pooled budget	a) Ineffective governance/communication between parties b) Effectiveness of arrangement not monitored - objectives not achieved/budgets exceeded	Medium	OR	2007-08				15	15		Older People
O/T - Equipment - pooled budget	a) Ineffective governance/communication between parties b) Effectiveness of arrangement not monitored - objectives not achieved/budgets exceeded	Medium	OR	Not audited					0		Older People
Carers grant	a) Budgetary control b) effectiveness of arrangement not monitored	Medium	OR	Not audited			15		15		Older People
Self Assessment	a) Legislation is not adhered to b) Inappropriate care packages c) Budgets could be overspent	High	ADV	2008-09		15			15		Older People
Demography	a) Poor medium term planning b) budget pressures c) service cuts	High	OR	Not audited			15		15		Older People
Age concern joint project	Non compliance with grant conditions re audit coverage	Low	OR	Not audited					0		Older People
total					0	15	75	24	114		

Key risks to be covered

Risk Assessment Audit Type Date last audited 2008-09 Days Actual 2009-10 Days Est 2010-11 Days Est 2011-2012 Days Est TOTAL Days 2009- Date 2012 Est Fieldwork Business Owner

Head of Housing and Performance (JG)

Fairer Charging Policy	a) Non compliance with legislation/Council's policy b) Inaccurate charges calculated c) Ineffective income collection/recovery procedures	High	OR	2008-09			10		10		Housing and Performance
Residents Property (Receivership)	a) Misappropriation of client property b) Inaccurate records of level/type of property held c) Non compliance with legislation	High	OR	2007-08		15			15		Housing and Performance
Residents Property - Appointeeship	a) Misappropriation of client property b) Inaccurate records of level/type of property held c) Non compliance with legislation	Medium	OR	2001-02			10		10		Housing and Performance
Contract Management (Care)	a) Care provision not formalised/not monitored - escalation of costs/ care standards not met b) Service unaware of number/value of contracts	Medium	OR	2001-02		20		20	40		Housing and Performance
Common Housing Register / Advice	a) Legislation is not adhered to b) Register not appropriately administered	High	OR	Not audited		15			15		Housing and Performance
Homelessness	a) Legislation not adhered to b) Accommodation is not obtained promptly/cost effectively	Low	OR	2001-02				15	15		Housing and Performance
Renovation Grants/Disabled Facility Grants	a) Grants not awarded in accordance with legislation/Council procedures b) Records not up-to-date/accurate	Medium	OR	2006-07			15		15		Housing and Performance
Housing Strategy	a) Strategy not in accordance with legislation b) Ineffective monitoring of progress - objectives not met	Low	OR	Not audited				15	15		Housing and Performance
Supporting People	a) Non-compliance with legislation b) Client needs not met/monitored c) Adherence to contract standard not reviewed/monitored	Medium	OR	2004-05		15			15		Housing and Performance
RAISE	a) poor application controls b)poor interface with agresso c)inappropriate authorisation of payments	High	OR	Not audited			20		20		Housing and Performance
Total						0	65	55	50	150	

Key risks to be covered

		Risk Assessment	Audit Type	Date last audited	2008-09 Days Actual	2009-10 Days Est	2010-11 Days Est	2011-2012 Days Est	TOTAL Days 2009-2012 Est	Fieldwork Date	Business Owner
Head of Cultural Services (JG)											
Leisure Centre Management	a) Non compliance with legislation, b) Ineffective contract monitoring and management	High	ADV	2003-04		20			20		Cultural Services
Museums (1)	Review of key risks: Budgetary control, control of assets & cash, appropriate expenditure.	Low	OR	2004-05					0		Cultural Services
Archaeology	a) Non compliance with legislation and government guidelines, b) Ineffective communication between services	Low	OR	2003-04					0		Cultural Services
Tourist Information Centre	Review of key risks: Budgetary control, control of assets & cash, appropriate expenditure.	Low	OR	2004-05					0		Cultural Services
Libraries Internet use	a) Inappropriate websites accessed - reputational damage/Council could be fined/complaints made from public	Low	OR	2005-06					0		Cultural Services
Libraries Purchasing/stock control	a) Budgets overspent b) Inaccurate financial information for management decisions c) Stock may be misappropriated d) Purchasing arrangements are not cost effective	Medium	OR	2008-09	20				0		Cultural Services
Libraries Income	a) Loss of stock is not reimbursed, resulting in additional expenditure b) Income collection not maximised	Medium	OR	2001-02			20		20		Cultural Services
Shaw House	a) Facilities' use/income opportunities are not being maximised b) The facilities do not offer value for money c) Costs are not being effectively controlled	High	OR	2008-09	20				0		Cultural Services
Archive				2007-08					0		Cultural Services
total					40	20	20	0	40		Cultural Services

Key risks to be covered

		Risk Assessment	Audit Type	Date last audited	2008-09 Days Actual	2009-10 Days Est	2010-11 Days Est	2011-2012 Days Est	TOTAL Days 2009-2012 Est	Fieldwork Date	Business Owner
Head of Countryside and Waste (JG)											
Nature Discovery Centre	Establishment review - key risks - income not maximised/expenditure not being effectively managed	Low	OR	2005-06				6	6		Countryside and Waste
Grounds Maintenance Con.	a) Contract specification is not met b) Inappropriate/inaccurate payments could be made	Low	OR	2002-03		15			15		Countryside and Waste
Waste Management and disposal PFI	a) Poor waste minimisation b) Low levels of Recycling	High	SR	Not audited		25	25	25	75		Countryside and Waste
Service requests for intervention	a) Non compliance with Legislation b) Customer complaints	Low	OR	2002-03				10	10		Countryside and Waste
Health and Safety	a) Non compliance with Legislation b) Service targets not achieved	Low	OR	2002-03				10	10		Countryside and Waste
Food Safety and Standards	a) Non compliance with Legislation b) Service targets not achieved	Low		2002-03							Countryside and Environment
Civil Contingencies	a) Contingency arrangements not in place/not effective - impact on ability to provide services b) Lack of compliance with legislation	Medium	SR	2003-04		15			15		Countryside and Waste
Licensing Reform Income	a) Non compliance with Legislation b) Ineffective income collection	High	OR	2005-06				15	15		Countryside and Waste
Taxi licensing	a) Inappropriate granting of licenses b) Ineffective income collection	Medium	OR	2008-09	15			15	15		Countryside and Waste
total					15	55	25	81	161		

Key risks to be covered

Risk Assessment Audit Type Date last audited 2008-09 Days Actual 2009-10 Days Est 2010-11 Days Est 2011-2012 Days Est TOTAL Days 2009-2012 Fieldwork Date Est Business Owner

Head of Highways and Transport (SC)

Structural Maintenance / Engineering	a) Non compliance with legislation, b) Ineffective maintenance programme	Medium	OR	Not audited			15		15	Highways and Transport
Traffic Management	a) Projects/schemes targets not met, b) Non compliance with internal policies, plans	Medium	OR	Not audited		15			15	Highways and Transport
Highway Term Contract	a) Non compliance with H&S legislation, b) Ineffective contract monitoring, c) Non compliance with policies	High	OR	2004-05		20			20	Highways and Transport
Home to School Transport / CRB checks	a) Employment of inappropriate individuals, b) Misallocation of free transport, c) contracts for transport	High	OR	2007-08?	15				0	Highways and Transport
Electrical (including Street Lighting)		Low	OR	Not audited					0	Highways and Transport
Street Naming/numbering	a) Income not maximised, b) Misappropriation of funds	Low	OR	2004-05			10		10	Highways and Transport
Concessionary Fares / Bus Passes	a) Fraud/theft, b) Non compliance with regulations	Medium	OR	2004-05		15			15	Highways and Transport
Car Parks	a) Non compliance with legislation, b) Loss of income c) Fraud/theft	High	OR	2007-08			20		20	Highways and Transport
Fleet Management	a) Use of vehicles b) contracts for non fleet transport	High	OR			20			20	Transport
total					15	70	45	0	115	

Key risks to be covered

		Risk Assessment	Audit Type	Date last audited	2008-09 Days Actual	2009-10 Days Est	2010-11 Days Est	2011-2012 Days Est	TOTAL Days 2009-2012 Est	Fieldwork Date	Business Owner
Head of Planning and Trading Standards (JG)											
Enforcement	a) Planning Legislation is not adhered to information is not up-to-date/accurate	Low	OR	2004-05			15		15		Planning and Trading Standards
Development Control	a) Planning Legislation is not adhered to not met c) Corruption d) Income is not maximised	High	AFW	2006-07			20		20		Planning and Trading Standards
Developer contributions	a) Planning Legislation is not adhered to not maximised	High	AFW	2007-08				20	20		Planning and Trading Standards
Building Control (ISO 9000 Accreditation)	a) Planning legislation is not adhered to b) Income is not maximised	high	OR	2002-03		20	15		35		Planning and Trading Standards
Transport Strategy	a) Government requirements are not met b) Ineffective monitoring/measurement of targets - objectives not achieved	Low	SR	2007-08					0		Planning and Trading Standards
Purchase/Disposal of samples	a) Inappropriate expenditure incurred b) Non compliance with disposal procedures	Medium	OR	2002-03		15			15		Planning and Trading Standards
Service requests for intervention	a) Non compliance with Legislation b) Customer complaints	Low	OR	2002-03				15	15		Planning and Trading Standards
ISO 9000 (TS)	a) Non compliance with quality standard defined procedures	Low	ADV	Not audited				15	15		Planning and Trading Standards
total					0	35	50	50	135		

Internal Audit Work Programme - 2008-11

Reports submitted to Governance & Audit Committee on 27 April 2009

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Key risks to be covered		Risk Assessment	Audit Type	Date last audited	2008-09 Days Actual	2009-10 Days Est	2010-11 Days Est	2011-2012 Days Est	TOTAL Days 2009-2012 Est	Fieldwork Date	Business Owner
Head of Education (SC)											
Education Psychologist Service	a) Non compliance with legislation, b) Inappropriate/insufficient assessments of need undertaken/produced.	Medium	OR	Not audited			10		10		Education
Secondary Schools (10)	Review of key risks - budgetary control, income collection, control of assets, school governance		S		0	64	16		80		Education
Primary Schools (68)	Review of key risks - budgetary control, income collection, control of assets, school governance		S	Ongoing	190	93	130	120	343		Education
Nursery Schools (2)	Review key risks: Compliance with legislation, accurate completion of grant claims		S			0	10	6	16		Education
Special Schools (2)	Review key risks: Compliance with legislation, budgetary control, control of assets,		S			0	16	0	16		Education
Formula funding / DSG	a) Non compliance with legislation, b) Ineffective budget builds	High	OR	Not audited		15			15		Education
PLASC (80 schools)	a) Submission of incorrect returns, b) Inaccurate funding	High	S					10	10		Education
Student Loans/ Grants	a) Non compliance with legislation, b) Incorrect assessment of entitlement, c) overpayments	Low	OR	Not audited			15		15		Education
Special Needs Recoupment	a) Incorrect payments/collections, b) Entitlements not identified/obtained, c) Non compliance with legislation/standards	Low	OR	Not audited				15	15		Education
School admissions policy	a) Non compliance with legislation, b) Unsuitable school offers, c) Invalid admissions data	High	OR	Not audited		10			10		Education
Home to School Transport Entitlement	a) Employment of inappropriate individuals, b) Misallocation of free transport,	Low	OR	2008-09	15				0		Education
School Meals Contract	Review of schools not in the contract a) Non compliance with legislation, b) Not meeting service user requirements, c) Contract not effectively monitored	Medium	OR	2007-08	5	15		15	30		Education
Child Protection in Schools	a) Non compliance with legislation, b) Schools are not adequately supported/trained by WBC	High	OR	2008-09	15				0		Education
Central Administration - Childcare Grant	a) Non compliance with legislation b) Inappropriate payments and awards, c) Insufficient documentary evidence	Medium	OR	2004-06				10	10		Education
Nursery Provision - central review	Review key risks: Compliance with legislation, accurate completion of grant claims	High	OR	2007-08		10			10		Education
Extended Schools / After Schools Clubs	a) Non compliance with government targets/legislation, b) Misuse of grant funds, c) Activities are not effectively monitored	Medium	OR	2007-08	15		15		15		Education
Special Needs Assessment & Stat	a) Non compliance with legislation, b) Incorrect assessments,	Medium	OR	Not audited		10			10		Education
Home Tuition	a) Non compliance with legislation/standards, b) Service does not meet requirements of users.	Low	OR	Not audited			10		10		Education

Internal Audit Work Programme - 2008-11 Reports submitted to Governance & Audit Committee on 27 April 2009

Key risks to be covered	Risk Assessment	Audit Type	Date last audited	2008-09 Days Actual	2009-10 Days Est	2010-11 Days Est	2011-2012 Days Est	TOTAL Days 2009-2012 Est	Fieldwork Date	Business Owner
Resource Units (7)	Review key risks: Compliance with legislation, budgetary control, control of assets,	High	OR	Not audited			10	10		Education
Adult Education	a) Non compliance with legislation, b) Non achievement of targets and standards, c) Overspends on budgets	Low	OR	Not audited			10	10		Education
Alternative Curriculum	Review of the Porch, Badgers Hill and Brideway PRU's	Low	OR				10	10		
Reintegration Service	Review of the Key, The Oaks and Kingfisher PRU's	Low	OR				10			
Facilities grant	a) Non compliance wqith legislation/guidance, b) Inaccurate/inappropriate claims/payments.	Medium	OR	2008-09	10		10	10		Education
total					250	217	262	186	655	

Internal Audit Work Programme - 2008-11

Reports submitted to Governance & Audit Committee on 27 April 2009

Key risks to be covered		Risk Assessment	Audit Type	Date last audited	2008-09 Days Actual	2009-10 Days Est	2010-11 Days Est	2011-2012 Days Est	TOTAL Days 2009-2012 Est	Fieldwork Date	Business Owner
Head of Children's Services (SC)											
Castlegate	Review of key risks: Budgetary control, control of assets & cash, appropriate expenditure.	High	OR	Not audited		5			5		Children's
Assessment of Need/Review process	a) Non compliance with legislation/standards, b) Inaccurate assessments, monitoring of assessments and referrals	Medium	OR	2005-06		20			20		Children's
Family Support Service(to include respite purchase)	a) Non compliance with legislation, b) Inappropriate packages, c) Overspends on budgets	High	OR	Not audited		15			15		Children's
Purchasing Care - Residential	a) Non compliance with legislation, b) Inappropriate packages, c) Overspends on budgets	High	OR	2008-09	15			15	15		Children's
Assessment & collection of contributions	a) Non compliance with legislation, b) Incorrect assessments, c)	Medium	OR	2002-03			15		15		Children's
Foster Care	a) Non compliance with legislation/standards, b) Unsuitable placements, c) Incorrect payments	Medium	OR	2008-09	10			10	10		Children's
Foster Care Recruitment	a) Non compliance with legislation, b) Ineffective training/strategies in place, c) Inappropriate people recruited, d) Insufficient staffing	Low	OR	Not audited		20			20		Children's
Adoption - Recruitment, Assessment, Training	a) Non compliance with legislation, b) Ineffective training/strategies in place, c) Inappropriate people recruited, d) Insufficient staffing	Low	OR	Not audited			20		20		Children's
Payment of Carers	a) Non compliance with legislation, b) Incorrect payments, c) Overspends on budget	Medium	OR	2007-08			10		10		Children's
Unaccompanied Children - Asylum	a) Non compliance with legislation, b) Asylum seekers/care leavers are not adequately supported, c) Inadequate financial controls re payment of allowances/fraud.	Medium	OR	2004-05			15		15		Children's
Agency Staff	a) Non compliance with legislation, b) Inappropriate people	Medium	OR	2008-09	10			10	10		Children's
York House - Family Resource Team	Review of key risks: Budgetary control, control of assets & cash, appropriate expenditure.	LOW	OR	2004-05			5		5		Children's
Pooled budget Child & Adolescent mental health (section RAISE)	a) Effectiveness of arrangements & monitoring, b) Achievement of targets and objectives, c) Ineffective communication between parties	Low	OR	Not audited			15		15		Children's
	a) poor application controls b)poor interface with agresso c)inappropriate authorisation of payments	High	OR	Not audited		15			15		Children's
Youth Services (6)	Review of key risks: Budgetary control, control of assets & cash, appropriate expenditure.	Medium	OR	2008-09	5	5			5		Children's
Area Teams (2 teams)	Review of key risks: Budgetary control, control of assets & cash, appropriate expenditure.	Low	OR				5		5		Children's
Adventure Dolphin & Outdoor Youth Activity	Review of key risks: Budgetary control, control of assets & cash, appropriate expenditure.	Low	OR	2008-09	5				0		Children's
Offsite Activities	a) Non compliance with legislation, b) Non achievement of council targets/standards, c) Inappropriate activities undertaken	Medium	OR	2005-06			15		15		Children's
total					45	80	100	35	215		

Key risks to be covered

Risk Assessment	Audit Type	Date last audited	2008-09 Days Actual	2009-10 Days Est	2010-11 Days Est	2011-2012 Days Est	TOTAL Days 2009-2012 Est	Fieldwork Date	Business Owner
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Other Chargeable work (non service specific)

Preparation of the audit plan			10	10	10	10	30		
Monitoring the audit plan			20	12	12	12	36		
Governance and Audit Committee updates			8	8	8	8	24		
Annual Governance Statement			10	10	10	10	30		
Audit Follow-ups			110	100	100	100	300		
Audit Advice			45	20	20	20	60		
School advice			16	20	20	20	60		
External Professional Liaison			2	5	5	5	15		
Total			221	185	185	185	555		
Contingencies			220	100	135	135	455		
Total			220	100	135	135	455		

Audit Type - key
SR Strategic Risk
KFS Key Financial System
AFW Anti Fraud Work
ACW Anti Corruption Work
VFM Value for Money
OR Operational Risk
Sch Schools
ADV Advisory Audit

Planned Audit Days total

1,119 1,482 1,362 1,126 4,065

Total Red Days - Audits that we will not do due to limits on the Establishment	60
Total Amber Days - Audits that we will not do due to managed vacancy and maternity leave	295
Total Green Days - Audits that we will do	1,127

INTERNAL AUDIT REPORTING PROTOCOL**Appendix C****1 Purpose and Scope**

- 1.1 This document outlines the way internal audit will initiate, and report on work for the Council. This protocol relates only to Council Services, a separate protocol exists for Schools.
- 1.2 In terms of this protocol there are three types of audit work that will involve different approaches to reporting. These are:
- Routine planned audits to provide assurance
 - Advisory work carried out at the request of the client
 - Unannounced audits – to check cash accounting on site.
- 1.3 A set of tables are attached at appendix A which summarise the key elements of this protocol for each of the above.

2 Initiating work

- 2.1 The following highlights the key stages for commencing Internal Audits
- 2.2 Terms of reference will be issued for all audits, apart from establishments and unannounced audits that will set out the scope of the work to be carried out and confirm the reporting arrangements.
- 2.3 In the case of Establishments a formal memo will be issued to outline the key areas that will be covered by the work.
- 2.4 In the case of unannounced audits the Head of Service will be informed that the audit has been carried out immediately after the conclusion of the visit. (These audits are expected to take no more than half a day.)

3 Reporting the results of Internal Audit work

- 3.1 The reporting process planned work has three key stages :-
Rough Draft Report (Memo in the case of unannounced cash audits);
Draft Report / Memo;
Final Report / Memo.
- 3.2 The rough draft will be issued to the Service Manager to check the factual accuracy, and to obtain their initial observations.
- 3.3 The formal draft will be issued once the Service Manager is satisfied with the accuracy of the report. The circulation of the formal draft report will ensure that all relevant people have had an opportunity to comment on the content of the report, prior to it being finalised.
- 3.4 We request comments/observations from all recipients, however, we treat the relevant Head of Service/Unit Manager as the main client, and as such we require the Head of Service to agree to the details, and comment on the recommendations, of the report before it is finalised. Where a

INTERNAL AUDIT REPORTING PROTOCOL

Appendix C

recommendation is not agreed, we require the Client’s reasoning for this, and this detail is included in the action plan (attached to the report) for future reference.

- 3.5 Where, during an audit, a serious problem is discovered which requires immediate attention, it may be necessary to issue an interim report. The relevant Group Auditor will contact the Head of Service to discuss any such issues prior to an interim report being issued.
- 3.6 Internal Audit reports will normally be issued within 3 weeks of the completion of the work. The Terms of Reference for the audit should give an indication of the timescales for reporting.

3 Follow Up of Audit Recommendations

- 3.1 A follow up process is required in order to be able to give management/members assurance that the agreed action plans have been implemented. A follow will normally be carried out for all audits where recommendations have been made
- 3.2 A follow-up review is carried out roughly six months after the audit report was finalised. The exception to this is where an annual review is required to be undertaken in accordance with KPMG’s requirements (usually the key financial systems in Benefits and Exchequer and Finance). The follow-up then forms part of the following year’s review.

4 Timescales for receipt of Client Responses to Audit Requests for information/Responses to Audit Reports

- 4.1 This protocol sets out the timeframes by which we require a response from the Client, together with the processes to be followed where these timeframes are not met.

Suggestion of Timeframe protocol:-

	Timeframe For Receipt of Response	Action where no response is received
Rough Draft Report	Within 3 weeks of receipt (or notification of when a response will be received)	Stage 1 - Reminder issued to the Line Manager (Head of Service copied in) specifying a response is required within two weeks otherwise the Corporate Director is to be informed.
	Within two weeks of stage 1	Stage 2 - Corporate Director informed of lack of a response (Copied to the Line Manager and Head of Service) specifying a response is required within two weeks otherwise this will be reported to the Corporate Board

INTERNAL AUDIT REPORTING PROTOCOL

Appendix C

	Timeframe For Receipt of Response	Action where no response is received
Draft Report	Within 3 weeks of receipt (or notification of when a response will be received)	Stage two of the Rough draft will apply

4.2 These timeframes, together with action to be taken where no response is received will be incorporated into the standard letters/memos we issue with each report.

4.3 The relevant Group Auditor will use his/her judgement on each case to take into account any extenuating circumstances, and will notify the Head of Finance where there are issues with non-compliance that needs to be reported to Corporate Board. The Head of Finance will raise the matter with the relevant Director.

5 Reporting to the Governance and Audit Committee

The Assurance Manager will provide the Committee, on a quarterly basis with the following:-

5.1 A schedule listing each finalised audit, highlighting the overall opinion. A summary of the key issues will be produced for all **weak or very weak** opinions. Written comment from Internal Audit will be provided to the Committee and a written response / comment / update will be sought from the Head of Service.

5.2 A schedule listing each follow-up that has been carried out, highlighting opinion on progress made:-

Fully implemented - no further action required;

Satisfactory progress - key weaknesses addressed, only minor issues outstanding (standard letter/memo will request confirmation when the issues have been addressed);

Unsatisfactory progress – Where deadlines in the action plan have not been met and key weaknesses remain outstanding then details of the follow up will be provided to the Governance and Audit Committee and the Head of Service will be expected to attend the Committee. A written comment will be provided by Internal Audit to the Committee and written comments will also be sought from the Head of Service.

Circulation of Audit Documents to Clients

Appendix A

1 Audit Reviews to provide Assurance

Client	Terms of reference	Rough Draft Report	Formal Draft Report	Final Report	Follow-up details
S151 Officer (Head of Finance)	All cases		Where there are fundamental weaknesses in the service	All cases	All cases
Service / Unit Manager	All cases	All cases	All cases	All cases	All cases
Head of Service	All cases	Only where serious issues relating to the service, i.e. lots of fundamental weaknesses or issues of concern relating to the service manager. Such issues would normally be raised before the report is written	All cases	All cases	All cases
Corporate Director	All cases		Where there are fundamental weaknesses in the service	All cases (except for schools)	All cases
Chief Executive			Only where serious issues relating to the service, i.e. lots of fundamental weaknesses or issues of concern relating to the service manager. Such issues would normally be raised before the report is written.	Any report with fundamental weaknesses	Any report with fundamental weaknesses

Circulation of Audit Documents to Clients

Appendix A

Client	Terms of reference	Rough Draft Report	Formal Draft Report	Final Report	Follow-up details
			<p>The Assurance Manager will decide on the necessity to issue a report at this level.</p>		
<p>Relevant Portfolio Member and the Portfolio Member for Finance (in all cases)</p>				<p>Any report that has an overall opinion of weak / very weak and / or there are any weaknesses. (including schools)</p>	<p>All Cases</p>
<p>Assurance Manager</p>	<p>All cases</p>		<p>Relevant Group Auditor will decide on the necessity to issue a report at this level where there are serious issues relating to the service, i.e. lots of fundamental weaknesses or issues of concern relating to the service manager. Such issues would normally be raised before the report is written.</p>	<p>All cases</p>	<p>All Cases</p>

Circulation of Audit Documents to Clients

Appendix A

2 Advisory/VFM Reviews

(The approach will be agreed with the Client prior to commencing a review, and to be noted in the terms of reference to provide clarity of how the findings are to be reported). Advisory reviews may arise from the need for advice on key controls in systems where the Service concerned is already aware that improvement is needed or where the systems are being changed by the service area, (eg a new ICT system is being implemented).

Client	Terms of Reference	Rough Draft Report	Formal Draft Report	Final Report
Line Manager	All cases	All cases	All cases	All cases
Head of Service	All cases		All cases	All cases
Corporate Director	All cases			All cases
Assurance Manager	All cases		Relevant Group Auditor will decide on the necessity to issue a report at this level where there are serious issues relating to the service, i.e. lots of fundamental weaknesses or issues of concern relating to the service manager. Such issues would normally be raised before the report is written.	All cases

Further escalation of the advisory / VFM reviews reporting to the Chief Executive and the relevant portfolio Member will depend upon the significance of issues / number of weaknesses identified and will be determined by the relevant Group Auditor. Due to the nature of the work an overall opinion will not be given for an advisory/VFM review. However, these reviews will follow the standard follow process for follow-ups (progress categorisation/circulation of findings).

Circulation of Audit Documents to Clients

Appendix A

3 Unannounced Audits

<u>Client</u>	<u>Terms of Reference</u>	<u>Rough Draft Memo</u>	<u>Formal Draft Memo</u>	<u>Final Memo</u>
Line Manager / Headteacher	None issued	All cases	All cases	All cases
Head of Service	None issued		All cases	All cases
Corporate Director	None issued			All cases
Relevant Portfolio Holder and Finance Portfolio Holder	None issues			All cases
Assurance Manager	None issued		All Cases	All cases

Title of Report:	Amendments to the Constitution	Item 8
Report to be considered by:	Council	
Date of Meeting:	12 May 2009	
Forward Plan Ref:	C1867	

Purpose of Report: To consider amending the Members' Allowances Scheme (Part 15 of the Constitution) to reflect changes arising from the introduction of the Local Assessment of Complaints procedures.

Recommended Action: To amend Part 15.1.11 of the Constitution to permit the Standards Committee or the relevant Sub-Committee to suspend or partially suspend a Member's Allowance for the period for which they are suspended or partially suspended if they are deemed to have breached the Code of Conduct.

Reason for decision to be taken: To align the Members Allowances Scheme and the Local Determination of Complaints procedures.

Key background documentation: the Local Authorities (Members' Allowances) Regulations 2003
Standards Committee (England) Regulations 2008 (the regulations)

The proposals will also help achieve the following Council Plan Theme(s):

CPT15 - Putting Customers First

The proposals contained in this report will help to achieve the above Council Plan Priorities and Themes by

Ensuring that the Council's decision making structures are efficient and effective at all times.

Portfolio Member Details	
Name & Telephone No.:	Councillor Graham Jones - Tel (01235) 762744
E-mail Address:	gjones@westberks.gov.uk
Date Portfolio Member agreed report:	Approved by Councillor Pamela Bale on 16/04/09
Contact Officer Details	
Name:	Moira Fraser
Job Title:	Democratic Services Manager
Tel. No.:	01635 519045
E-mail Address:	mfraser@westberks.gov.uk

Implications

Policy: If approved Part 15 (Members Allowances Scheme) will need to be amended.

Financial: None

Personnel: None

Legal/Procurement: If approved West Berkshire Council's Constitution will require amending as set out in Appendix A.

Property: None

Risk Management: None

Equalities Impact Assessment: None

Is this item subject to call-in?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box:		
The item is due to be referred to Council for final approval		<input checked="" type="checkbox"/>
Delays in implementation could have serious financial implications for the Council		<input type="checkbox"/>
Delays in implementation could compromise the Council's position		<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>

Executive Summary

1. Introduction

- 1.1 Full Council adopted new proposals regarding the Local Assessment of Complaints and Misconduct by Members of District, Parish and Town Councils (and processes and procedures) to enable the Standards Committee to fulfil its new role at a Special Council meeting on the 30 June 2008.
- 1.2 As Members will appreciate, the introduction of these proposals in the complaints regime has required significant changes to the operation and membership of the Standards Committee as set out in the June 2008 report. These changes have been accompanied by the need to introduce new processes, procedures and documents for the Standards Committee. It has also emerged that an amendment needs to be made to the Council's Constitution to align the Members Allowances Scheme to the Standards Committee (England) Regulations 2008 (the regulations).
- 1.3 Under the Regulations, where a member is suspended, the authority may withhold any or all of the following allowances (if payable):
- Basic Allowance (Reg 4(3))
 - Special Responsibility Allowance (Reg 5(3))
 - Travelling and subsistence allowance (Reg 8(2))
 - Co-optee's allowance (Reg 9(3))

2. Proposals

- 2.1 It is proposed that Paragraph 15.1.11 of the Constitution, which relates to the renunciation of allowances, be amended to give the Standards Committee or its relevant Sub-Committee (Hearing panel) authority to suspend or partially suspend a Members Basic Allowance where they have been suspended or partially suspended from their responsibilities and duties as a member of the Council following a breach of the Code of Conduct.
- 2.2 The Standards Board recommends that members should not continue to receive their allowance while under suspension because they are not performing their role as a member. If the Standards Committee or its relevant Sub-Committee find that a subject member has failed to follow the Code of Conduct and that they should be sanctioned they can impose that the subject member be suspended or partially suspended. The Council's current version of the Constitution does not provide express permission for the Standards Committee to suspend their basic allowance, special responsibility allowance, travelling and subsistence allowance or co-optee's allowance and this amendment seeks to redress that.

3. Conclusion

- 3.1 Governance and Audit consider the amendment to the Constitution requesting that the Council delegate the power to the Standards Committee (or a sub committee thereof) to withhold any or all of the above allowances, if it is appropriate in the circumstances of the relevant case to do so. If Members are minded to accept the changes they recommend them to Full Council for approval.

Appendices

Appendix A - Recommended Revision to paragraph 15.1.11 of West Berkshire's Constitution

Consultees

Local Stakeholders: Not consulted

Officers Consulted: David Holling, Andy Day, Sarah Clarke

Trade Union: Not consulted.

15.1.1 Renunciation and Suspension of Allowances

A Councillor may, by notice in writing given to the Head of Policy and Communication, elect to forego any part of his entitlement to any allowance under this scheme.

Under Regulation 4(3) of the Local Authorities (Members Allowances) Regulations 2003 the Standards Committee or its Hearing Panel Sub Committee be authorised to suspend or partially suspend the part of the basic allowance payable to Members in respect of a period of suspension, where a Member has been suspended or partially suspended from their responsibility or duties as a Member of this authority in accordance with Part III of the Local Government Act 2000.