

Notice of Meeting

Governance and Audit Committee

Tuesday, 27th April, 2010 at 6.00 pm
in the Council Chamber Council Offices
Market Street Newbury

Date of despatch of Agenda: Monday, 19 April 2010

For further information about this Agenda, or to inspect any background documents referred to in Part I reports, please contact Moira Fraser on (01635) 519045
e-mail: mfraser@westberks.gov.uk

Further information and Minutes are also available on the Council's website at
www.westberks.gov.uk



Agenda - Governance and Audit Committee to be held on Tuesday, 27 April 2010
(continued)

To: Councillors Jeff Beck (Chairman), Paul Bryant, Tony Linden, Irene Neill, Julian Swift-Hook, Tony Vickers (Vice-Chairman) and Quentin Webb

Substitutes: Councillors Brian Bedwell, Adrian Edwards, Roger Hunneman and Keith Lock

Agenda

Part I	Page No.
1 Apologies To receive apologies for inability to attend the meeting (if any).	
2 Minutes To approve as a correct record the Minutes of the meeting of this Committee held on 22 nd February 2010.	1 - 4
3 Declarations of Interest To receive any Declarations of Interest from Members.	
4 Changing the Terms of Reference for the Personnel Committee (C2019) <i>Purpose: To seek approval (from Full Council) to extend the remit of the Personnel Committee to include the approval of new and revised Health and Safety policies and procedures.</i>	5 - 8
5 KPMG Audit Plan (GA2014) <i>Purpose: To inform members of the cost and activities that will be completed by KPMG during the coming year.</i>	9 - 30
6 KPMG Grants Audit Report (GA2040) <i>Purpose: To inform Members of External Audit's audit of grants in 2008-09.</i>	31 - 42
7 Internal Audit Report Q3 of 2009/10 (GAC1903) <i>Purpose: To update the Committee on the outcomes of audits completed in the third quarter</i>	43 - 64
8 Internal Audit Strategy and Work Plan (GAC1904) <i>Purpose: To set out proposals for the internal audit of the Council's services over the next three years</i>	65 - 106



Agenda - Governance and Audit Committee to be held on Tuesday, 27 April 2010
(continued)

- 9 **Protocol for Members on Outside Bodies (C1992)** 107 - 150
Purpose: To seek agreement for a Protocol for Members appointed to represent the Council on Outside Bodies

Andy Day
Head of Policy and Communication

West Berkshire Council is committed to equality of opportunity. We will treat everyone with respect, regardless of race, disability, gender, age, religion or sexual orientation.

If you require this information in a different format, such as audio tape, or in another language, please ask an English speaker to contact Moira Fraser on telephone (01635) 519045, who will be able to help.



This page is intentionally left blank

GOVERNANCE AND AUDIT COMMITTEE**MINUTES OF THE MEETING HELD ON
MONDAY, 22 FEBRUARY 2010**

Councillors: Jeff Beck (*Chairman*) (P), Paul Bryant (P), Tony Linden (P), Irene Neill (P), Julian Swift-Hook (P), Tony Vickers (*Vice-Chairman*) (P), Quentin Webb (P)

Substitutes: Brian Bedwell, Adrian Edwards, Roger Hunneman, Keith Lock

Also present: David Holling (Head of Legal and Electoral Services), Moira Fraser (Democratic Services Manager), Joseph Holmes (Accountancy Manager), Robert O'Reilly (Head of Human Resources), Lesley Flannigan (Finance Manager)

PART I**37. APOLOGIES.**

No apologies for absence were received for inability to attend this meeting.

38. MINUTES.

The Minutes of the meeting held on 5 January 2010 were approved as a true and correct record and signed by the Chairman.

39. DECLARATIONS OF INTEREST.

There were no declarations of interest declared at the meeting.

40. IMPLEMENTING NATIONAL PAY AWARD.

The Committee considered a report (Agenda Item 4) concerning the procedure for agreeing to implement a national pay award each year for all West Berkshire Council staff except those on teaching or Soulbury pay scales.

Robert O' Reilly in introducing the report explained that the provision to make a local pay award, rather than shadowing the national pay award, for all staff except those on teaching or Soulbury pay scales was set out in the West Berkshire Terms and Conditions since 1999. To date the Council had always opted to shadow the national pay award but recently Members had requested that a mechanism be put in place to allow the Council to deviate from this approach should the national pay award be deemed to be detrimental to the Council. The report set out a mechanism to do this.

Members queried what would happen should the Chief Executive not be available to make the decision. The Monitoring Officer confirmed that this decision could not be delegated to a Corporate Director as they would have an interest in the level of the pay award. In the event of the Chief Executive not being at work for a significant period it was anticipated that an acting Chief Executive would be appointed and the duties associated with the Head of Paid Service (including this decision) would be delegated to this person. It was therefore not necessary to make provision for this circumstance in the report.

Councillor Dr Tony Vickers queried why this decision would need to be made by the Chief Executive and not the elected Members. Robert O' Reilly explained that unless exceptional circumstances prevailed the Chief Executive would authorise the local implementation of the national pay award. The deviation would only arise in

exceptional circumstances where the Chief Executive believed that the national pay award would be detrimental to the integrity and effectiveness of the Council's pay policy. Any decisions made would be in consultation with the unions and would have to be agreed by the Executive.

Councillor Paul Bryant noted the Head of HR's comments but felt that the report did not address the situation of a 'stand off' occurring between the Chief Executive and elected Members. Mr O' Reilly explained that where a deviation was proposed a report would be taken to the Executive for consideration. Should a disagreement on the level of the increase arise the Executive would instruct the Chief Executive to consult on a different level of pay award and bring a report back to the next Executive meeting. A decision would then be made by the Executive at that meeting. In practice the Chief Executive would, in all likelihood, discuss these issues with elected Members before a report was taken to the Executive for consideration.

Members noted that the national pay award was usually agreed well into the new financial year and queried whether it would not be preferable to agree a level at the outset of the financial year thereby ensuring certainty. Officers explained that this was a contractual issue. The 1999 terms and conditions (which were applicable to the majority of non-school based staff) stated that the Council 'reserves the right, with local consultation, to determine its own [pay] award should the national award be detrimental to the integrity and effectiveness of the Council's pay policy and procedure' and as a consequence it was not possible to set the local award prior to the announcement of the national pay award.

Councillor Paul Bryant left the meeting at 6.20pm and returned at 6.21pm.

Robert O' Reilly explained that it would require significant resource to implement a proper local pay award. He noted that the majority of authorities that pursued this option had made pay awards that exceeded the national pay award during the 2009/10 financial year. He would therefore not be proposing that this option be adopted in West Berkshire at this time.

Members noted that this report was putting a mechanism in place to deal with a local pay award should it be required in line with the wording included in most employees' contracts as part of the 1999 terms and conditions of employment. They therefore unanimously agreed the report.

Members requested that prior to consideration at Council the word 'exiting' in paragraph 1.2 (8th line) be amended to read 'existing'.

RESOLVED that the report be agreed and proposed to full Council for ratification.

41. OVERVIEW OF THE IMPLEMENTATION OF THE INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS).

The Committee considered a report (Agenda Item 5) concerning how West Berkshire Council was implementing the IFRS.

Joseph Holmes in introducing the report noted that he had raised the revised standards at previous Governance and Audit Committee meetings. The new standards would be introduced as of the 01 April 2010.

The key changes, resulting from the introduction of IFRS, would be around the following areas in the financial statements: leases, fixed assets, PFI schemes, employee benefits and the format of the financial statements (the size of these documents were likely to increase significantly).

Mr Holmes noted that the Audit Commission had recently released a briefing note on the introduction of the public sector as a whole. This document alluded to the fact that 63% of authorities would be using external consultants to help with the transition. West Berkshire Council would be managing the change internally and no additional resources would be employed to facilitate this work. The Audit Commission had originally proposed an 8% increase in their audit fee to deal with the amended system but following a flood of responses had agreed to cover it off using existing resources in 2010/11 at no extra cost to the authorities.

Members agreed that KPMG would be invited to provide an opinion on the Council's progress in implementing IFRS at the June meeting which they would be attending anyway.

The Committee had some concerns about the way financial reporting was presented. It was not in a format that made it comprehensible to most residents and they queried whether IFRS would be adding an additional level of complexity. Mr Holmes explained that one of the advantages of IFRS was that it provided some flexibility which might make it more 'user friendly'. However the notes that were required might negate some of the more helpful changes. Members agreed that they would consider the information presented to them at the June meeting and try to suggest adaptations that might make the document more understandable at that time. Councillor Neill felt that it would be useful to include a glossary with that document to assist readers.

RESOLVED that:

1. the report be noted;
2. KPMG be invited to provide an opinion on the progress WBC was making in implementing IFRS at the June meeting;
3. Members be asked to consider the financial reports at the June meeting and make suggestions for making the documents more comprehensible.

42. DATE OF THE NEXT MEETING.

The Committee noted the next meeting would take place on the 29 March 2010 at 6.00pm. An additional meeting would be arranged for the 27 April 2010 to discuss any items on the May 2010 Council agenda (the meeting would be cancelled if there were no items to be considered in advance of the May Council meeting).

(The meeting commenced at 6.00pm and closed at 6.56pm)

CHAIRMAN

Date of Signature:

This page is intentionally left blank

Agenda Item 4

Title of Report:	Changing the Terms of Reference for the Personnel Committee
Report to be considered by:	Governance and Audit Committee
Date of Meeting:	29 March 2010
Forward Plan Ref:	C2019

Purpose of Report: To seek approval (from full Council) to extend the remit of the Personnel Committee to include the approval of new and revised Health and Safety policies and procedures

Recommended Action: Approve the extension of PC terms of reference

Reason for decision to be taken: To provide a clear, auditable route for the approval of new and revised health and safety policies and procedures in line with the process for HR policies and procedures.

Other options considered: no change

Key background documentation: Council Constitution

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

CPT14 - Effective People

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

Ensuring that policies and procedures are agreed to promote a safe and healthy working environment for all employees.

Portfolio Member Details	
Name & Telephone No.:	Councillor Anthony Stansfeld - Tel (01488) 658238
E-mail Address:	astansfeld@westberks.gov.uk
Date Portfolio Member agreed report:	15 April 2010

Contact Officer Details	
Name:	Robert O'Reilly
Job Title:	Head of HR
Tel. No.:	01635 519358
E-mail Address:	roreilly@westberks.gov.uk

Implications

Policy: this paper refers to a change in the way policies are approved

Financial: none

Personnel: n/a

Legal/Procurement: n/a

Property: n/a

Risk Management: if the proposals are not implemented there is a risk that the approval for new and revised H&S policies will be delayed.

Equalities Impact Assessment: no implications for equalities

Corporate Board's View:

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 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 and Report

1. Introduction

- 1.1 The current terms of reference for the Personnel Committee (see Appendix A), agreed at full Council on 14th December 2006, include the power to approve new and revised Human Resources (HR) policies and procedures. This power is delegated to the Chief Executive who may decide to refer particular policies and procedures to the Personnel Committee. The Head of HR advises the Chief Executive to refer matters to the Personnel Committee if he considers the HR policy or procedure to be of strategic significance and/or potentially controversial.
- 1.2 There is no parallel provision currently in place for Health and Safety (H&S) policies. As the main impact of H&S policies in the Council is on the workforce, it is proposed that the terms of reference for the Personnel Committee be revised to include approval of H&S policies and procedures.
- 1.3 Examples of policies and procedures affecting staff health and safety, currently under review, include those relating to staff protection (lone-working, clients of concern, dealing with violence and aggression), and those relating to statutory duties of 'responsible persons' for Legionella, asbestos and fire.

2. Proposals

- 2.1 The remit of the Personnel Committee is extended to cover Health and Safety in the same way as HR policies and procedures, as the majority of these will be targeted at employees.
- 2.2 The terms of reference (vi) and (vii) be amended to read;
- (vi) to approve new and revised HR *and Health and Safety* policies
- (vii) to approve new and revised HR *and Health and Safety* procedures

3. Conclusion

- 3.1 This will provide a convenient and effective formal approval route for H&S policies and procedures in anticipation of a significant review of the Council's Safety Management System.

Appendices

Appendix A – Terms of Reference – Personnel Committee

Consultees

Local Stakeholders: Personnel Committee

Officers Consulted: Jane Milone (HR), Ian Priestley

Trade Union: n/a

Appendix A – Current Terms of Reference for the Personnel Committee (Dec 2006)

Suggested amendments in italic script at points (vi) and (vii)

Terms of Reference

That, in order to comply with the Regulations under the Local Government Act 2000, the Council appoint a Personnel Committee (reporting direct to Council) consisting of five Members with the following terms of reference:

- (i) Powers to appoint staff at Head of Service level and above by means of an Appointments Panel.
(Note: The Appointments Panel shall be selected from a pool of relevant Members.)
- (ii) Powers to determine requests for the early release of pensions subject to the financial implications of each request being approved through the Executive decision making process.
- (iii) Powers to appoint Proper Officers.
- (iv) Powers to designate officers as Head of Paid Service, Monitoring Officer and Section 151 Officer.
- (v) **That the list of exceptions to “Key Decisions” be extended to cover the following:**

Powers to agree the financial implications of requests for the early release of pensions, subject to the personnel aspects of each request being approved by the Personnel Committee.

Extension of Terms of Reference of Personnel Committee

At Full Council on the 14th December 2006 it was agreed that the following additional items be added to the terms of reference of the Personnel Committee:

- (vi) to approve new and revised HR [*and health and safety*] Policies
- (vii) to approve new and revised HR [*and health and safety*] procedures.

Scheme of Delegation

It was agreed that the power to approve new and revised HR policies and procedures be delegated to the Chief Executive. The Chief Executive may decide to refer particular HR policies and procedures to the Personnel Committee rather than exercise the delegation.

Agenda Item 5

Title of Report:	KPMG Audit Plan
Report to be considered by:	Governance and Audit Committee
Date of Meeting:	27 April 2010
Forward Plan Ref:	GAC2014

Purpose of Report: To inform Members of the cost and activities that will be completed by KPMG during the coming year

Recommended Action: To note and comment on the audit plan

Reason for decision to be taken: To ensure those charged with governance (The Governance and Audit Committee) have commented on the audit plan.

Other options considered: None

Key background documentation: None

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

CPT13 - Value for Money

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 Keith Chopping
E-mail Address:	kchopping@westberks.gov.uk
Date Portfolio Member agreed report:	15 April 2010

Contact Officer Details	
Name:	Greg McIntosh
Job Title:	Director - KPMG
Tel. No.:	01635
E-mail Address:	@westberks.gov.uk

Implications

Policy: None

Financial: None

Personnel: None

Legal/Procurement: None

Property: None

Risk Management: None

**Equalities Impact
Assessment:** None

**Corporate Board's
View:**

Executive Summary and Report

1. Introduction

- 1.1 External auditors are required to produce an annual audit plan setting out where they will complete audit work for the year ahead, and also detail how much this will cost the council.
- 1.2 The audit plan will be considered by the Governance and Audit Committee on the 29th March 2010.

2. Proposals

- 2.1 For Members to note and comment on the report.

3. Conclusion

- 3.1 This audit plan has been produced by KPMG and is being taken to Governance and Audit to help Members understand the work that KPMG will complete over the coming year, and where they see the key risks to the Council.

Appendices

Appendix A – KPMG audit plan

Consultees

Local Stakeholders: Not consulted

Officers Consulted: Head of Finance, Accountancy Manager

Trade Union: Not consulted



LOCAL GOVERNMENT

West Berkshire Council

External Audit Plan 2009-10

DRAFT: 16 February 2010

PUBLIC SECTOR AUDIT

AUDIT ■ TAX ■ ADVISORY

Contents

The contacts at KPMG in connection with this report are:

Greg McIntosh

Engagement Director

Tel: +44 207 311 6430

greg.mcintosh@kpmg.co.uk

Emma Foy

Manager

Tel: +44 207 311 6535

emma.foy@kpmg.co.uk

Summary	2
Audit overview	3
Key Financial Statement Audit Risks	6
Audit Team	8
Independence Confirmation	9
Audit Fees	10
Audit Timeline and Deliverables	12
Appendix 1: Meeting Your Expectations	14
Appendix 2: Independence and Objectivity Requirements	15
Appendix 3: Sustainability	16

This report is addressed to the Authority and has been prepared for the sole use of the Authority. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. The Audit Commission has issued a document entitled Statement of Responsibilities of Auditors and Audited Bodies. This summarises where the responsibilities of auditors begin and end and what is expected from the audited body. We draw your attention to this document.

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

If you have any concerns or are dissatisfied with any part of KPMG's work, in the first instance you should contact, Greg McIntosh, who is the engagement director to the Authority, telephone 020 7311 1379, email greg.mcintosh@kpmg.co.uk who will try to resolve your complaint. If you are dissatisfied with your response please contact Trevor Rees on 0161 236 4000, email trevor.rees@kpmg.co.uk, who is the national contact partner for all of KPMG's work with the Audit Commission. After this, if you are still dissatisfied with how your complaint has been handled you can access the Audit Commission's complaints procedure. Put your complaint in writing to the Complaints Investigation Officer, Westward House, Lime Kiln Close, Stoke Gifford, Bristol, BS34 8SR or by e mail to: complaints@audit-commission.gov.uk. Their telephone number is 0844 798 3131, textphone (minicom) 020 7630 0421



Summary (continued)

Our audit is divided into:

- use of resources; and
- financial statements.

This document describes how we will deliver our audit work for West Berkshire Council.

Our statutory responsibilities and powers are set out in the Audit Commission Act 1998, The Local Government Act 1999 and the Audit Commission's Code of Audit Practice (the Code).

The Audit Commission's Code summarises our responsibilities into two objectives, requiring us to review and report on your:

- *financial statements (including the Annual Governance Statement)*; providing an opinion on your accounts; and
- *use of resources*: concluding on the arrangements in place for securing economy, efficiency and effectiveness in your use of resources (the value for money conclusion).

The Audit Commission's Statement of Responsibilities of Auditors and Audited Bodies sets out the respective responsibilities of the auditor and the Council. The table below summarises the work we will do in response to the risks identified this year.

Our Responsibility	Risks, Proposed work and output
<p>Financial Statements and Annual Governance Statement (page 6 to 7)</p>	<p>Key risks identified are as follows:</p> <ul style="list-style-type: none"> • Significant Capital projects • Supporting the economy throughout the recession • Demand management for social care <p>Our work will encompass:</p> <ul style="list-style-type: none"> • Review of the controls over the completion of the accounts. We will rely on Internal Audit wherever possible to avoid duplication. • A detailed audit of the financial statements, associated disclosure notes and the Annual Governance Statement. <p>The findings of this work support the audit opinion that we issue on your financial statements.</p>
<p>Use of Resources</p>	<ul style="list-style-type: none"> • Use of Resources Assessment of managing finances, governing the business and managing resources. These judgements are combined to give an overall use of resources score. The fee included in the 2009/10 plan was agreed by the Council in March 2009 and relates to our 2008/09 Use of Resources assessment. This was completed earlier in the year and was reported as part of the Comprehensive Area Assessment in December 2009. • We will be including a fee for our 2009/10 Use of Resources assessment in our indicative 2010/11 audit plan which will be prepared and submitted for approval in March/April 2010. Particular areas of focus for 2009/10 will be the additional area of workforce planning and also documenting improvements in the overall managing resources theme which was scored as a level two in 2008-09. <i>The conclusions of this work will inform our value for money conclusion for 2009/10 and will also feed into the Audit Commission's Comprehensive Area Assessment.</i>

The audit planning process and risk assessment is an on-going process and the assessment and fees in this plan will be kept under review and updated if necessary. The remainder of this document provides details of our risk assessment, proposed work and fees for our work on the financial statements audit. It supplements the indicative audit plan presented earlier in the year.

We will outline the scope and approach of our Use of Resources work in separate reports during the year.

Audit Overview

We undertake our work on your financial statements and Annual Governance Statement (AGS) in four key stages.

Our work results in our audit opinion on your financial statements.

We are required to satisfy ourselves that your accounts comply with statutory requirements and that proper practices have been observed in compiling them. We are required to provide an audit opinion on the accounts.

We are also required to satisfy ourselves that your AGS is consistent with our understanding of your operations. Our review of the work of internal audit and consideration of your risk management and governance arrangements are key to this opinion.

In addition to the Council's financial statements which includes the consolidated group accounts, we are also required to audit and provide an opinion on the Whole of Government Accounts.

Our Audit Process

We have summarised the four key stages of our financial statements audit process for you below:



Audit Overview (continued)

We work with your finance team and internal audit team to enhance the efficiency of the accounts audit.

Our Audit Process (continued)

As part of our audit process, we will work closely with the finance team to understand and continually improve the accounts production process. At the planning stage of our audit we will issue the Council with a 'prepared by client' list which will include a detailed schedule of information requests to support the financial statements.

Our audit procedures also include an assessment of your arrangements to deliver your responsibilities to prevent and detect fraud. The auditing standard for fraud, ISA240 (revised), responds to the increased sensitivity to fraud and the importance given to auditors' work on fraud. Additionally, the Fraud Act 2006 and the Government Review of Fraud 2006 may impact on your responsibilities to manage fraud.

Liaising with internal audit

We have a strong working relationship with Internal Audit and we will continue to work closely with them to maximise the effectiveness of their work on core financial systems and governance at the Council.

Determining materiality

- We consider quantitative and qualitative factors in setting materiality and in designing our audit procedures.
- Materiality is calculated as a proportion of total revenues or total assets.
- Different materiality levels will be set for the income and expenditure account, balance sheet, housing revenue account and collection fund.

Reporting to Audit Committee

- To comply with auditing standards, the following three types of audit differences will be presented to the Audit Committee:
 - summary of adjusted audit differences;
 - summary of unadjusted audit differences; and
 - summary of disclosure differences (adjusted and unadjusted).

We work with your finance team and internal audit team to enhance the efficiency of the accounts audit.

Whole of government accounts (WGA)

KPMG are required to review and report on your WGA consolidation pack in accordance with the approach agreed with HM Treasury and the National Audit Office. The 2009/10 WGA consolidated pack will need to be produced in accordance with the International Financial Reporting Standards (IFRS).

National Fraud Initiative

The Council participates in the National Fraud Initiative, which is the Audit Commission's computerised data matching exercise designed to detect fraud perpetrated against public bodies. During our audit we will review the Council's progress and actions in following up the matches identified.

Certification of grant claims and returns

KPMG will continue to certify the Council's claims and returns on the following basis:

- claims below £100,000 will not be subject to certification;
- claims between £100,000 and £500,000 will be subject to a reduced, light-touch certification; and
- claims over £500,000 will be subject to a certification approach relevant to the auditor's assessment of the control environment and management preparation of claims. A robust control environment would lead to a reduced certification approach for these claims.

Electoral Challenge

The Audit Commission Act 1998 gives electors certain rights. These are:

- the right to inspect the accounts;
- the right to ask the auditor questions about the accounts; and
- the right to object to the accounts.

As a result of these rights, in particular the right to object to the accounts, we may need to undertake additional work to form our decision on the elector's objection. The additional work could range from a small piece of work where we interview an officer and review evidence to form our decision, to a more detailed piece of work, where we have to interview a range of officers, review significant amounts of evidence and seek legal representations on the issues raised. The costs incurred in responding to questions or objections raised by electors is not part of the fee. This work will be charged in accordance with the Audit Commission's fee scales.

Key Financial Statement Audit Risks

These are the key financial statement risks identified for 2009/10. We seek to tailor our audit approach to reflect this.



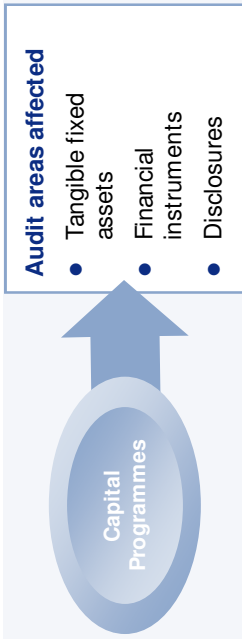
■ High ■ Medium ■ Low

The high risk issues are discussed overleaf

Key Financial Statement Audit Risks (continued)

For each key risk audit area we have outlined the impact on our audit plan. We will provide an update to the Executive on these risk issues.

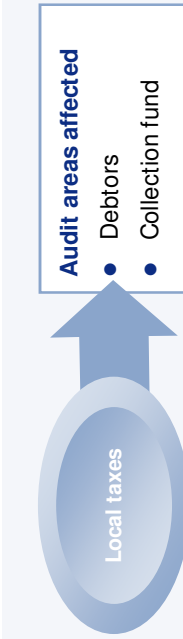
KEY audit risks



Valuation of fixed assets

- We will review the Council's processes for identifying fixed assets which may require impairment.
- We will assess valuation assumptions for appropriateness.

Impact on audit plan



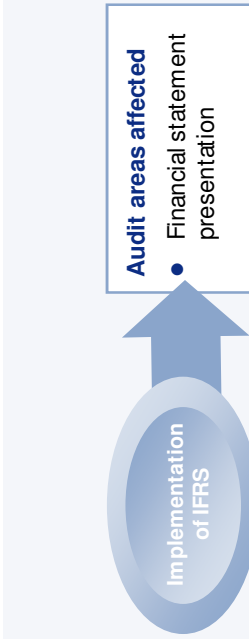
Local taxes

- During the interim phase of our audit we will review the Council's processes for collecting and recovering outstanding balances in relation to council tax, and national non-domestic rates (NDR).
- We will critically review the level of bad debt write offs and bad debt provisioning at the year end. We will perform a trend analysis of the level of balances over the last financial year and compare the Council's performance to similar organisations.



Social Services Budgets

- The Council is facing pressure on its social services budgets due to changes in demand for social care.
- We will consider how robustly the risks associated with demand management models are being managed and what programmes are in place to control high risk budgets.



Implementation of IFRS

- We have worked with officers at every stage of the IFRS implementation process and we are generally satisfied that good process has been made in the restatement of opening balances for the comparative year.
- IFRS is still a significant area and we will continue to hold regular discussions with officers to identify issues where difficulties may be experienced. We will offer support and guidance during the convergence process.

Audit Team

Your audit team is unchanged from last year. The audit team will be assisted by other specialist KPMG staff as necessary.



Greg McIntosh
Engagement Director

My role is to lead our team and ensure the delivery of a high quality external audit opinion. I will be the main point of contact for the Executive and the Chief Executive.



Emma Foy
Manager

I will be your day to day contact and will work closely with Greg to deliver a coordinated and efficient audit.



Independence Confirmation

Our independence and objectivity responsibilities under the Code are summarised in Appendix 2.

We confirm our audit team's independence and objectivity is not impaired.

Independence and objectivity confirmation

Professional standards require auditors to communicate to those charged with governance, at least annually, all relationships that may bear on the firm's independence and the objectivity of the audit engagement partner and audit staff. The standards also place requirements on auditors in relation to integrity, objectivity and independence.

The ISA defines 'those charged with governance' as 'those persons entrusted with the supervision, control and direction of an entity'. In your case this is the Audit Committee.

KPMG LLP is committed to being and being seen to be independent. APB Ethical Standard 1 *Integrity, Objectivity and Independence* requires us to communicate to you in writing all significant facts and matters, including those related to the provision of non-audit services and the safeguards put in place, in our professional judgement, may reasonably be thought to bear on KPMG LLP's independence and the objectivity of the Engagement Lead and the audit team.

Confirmation statement

We confirm that as of 22 February 2010, in our professional judgement, KPMG LLP is independent within the meaning of regulatory and professional requirements and the objectivity of the Appointed Auditor and audit team is not impaired.

Audit Fees

The audit fee has increased from 2008/09 to bring the fee in line with the Audit Commission scale fee for a Council of your size. The audit fee has not changed from that agreed in the indicative fees letter earlier in 2009/10.

Our fee is calculated with reference to a number of factors including your turnover and our assessment of audit risk and control environment. To enable you to benchmark our fee proposal we provide below some comparative information.

Element of the audit	2009/10	2008/09
Audit of Financial Statements		
Accounts (Systems and Final)	£170,000	£168,000
Use of Resources		
Use of Resources assessment*	£68,000	£55,000
Whole of Government Accounts and National Fraud Initiative	£4,800	£2,000
TOTAL AUDIT FEE	£241,000	£225,000
Grant Claims	£35,000	£45,000
OVERALL TOTAL	£276,000	£270,000

Fees for the certification of claims and returns are outside the scope of the audit fee. The actual fee for claim certification will be based on the number of hours charged to each claim at the Audit Commission's grade related fee rates.

* Please note that the Use of Resources fee for 2009/10 covers work done on your 2008/09 assessment which has been completed and reported to you. Some of this work was carried out prior to the end of the 2008/09 financial year, but it has all been billed as part of the 2009/10 audit fee. The comparative fee relates to work carried out on your 2007/08 Use of Resources assessment.

Source of fee comparative / benchmark	£
Audit Commission Scale Fee	£241,777
2009/10 Audit Fee	£241,000

Audit Fees (continued)

Our audit fee is indicative and based on our cooperative working as outlined in Appendix 1.

Meeting these expectations will help to the delivery of our audit within the proposed audit fee.

Audit fee assumptions

The audit fee is indicative and is based on you meeting our agreed expectations as outlined in Appendix 2. In setting the fee, we have assumed:

- the level of risk in relation to the audit of the financial statements is not significantly different from that identified for 2008/09;
- you will inform us of any significant developments impacting on our audit;
- you will identify and implement any changes required under the CIPFA SORP within your 2009/10 financial statements;
- your financial statements are made available for audit in line with the agreed timescales;
- good quality working papers and records will be provided at the start of the final accounts audit;
- requested information will be provided within the agreed timescales;
- prompt responses will be provided to queries and draft reports;
- internal audit meets appropriate professional standards;
- internal audit completes appropriate work on all systems that provide material figures for the financial statements and we can place reliance on them for our audit; and
- additional work will not be required to address questions or objections raised by local government electors.

Meeting these expectations will help ensure the delivery of our audit within the agreed audit fee.

Changes to the audit plan

Changes to this plan and the audit fee may be necessary if:

- new significant audit risks emerge;
- additional work is required of us by the Audit Commission or other regulators; and
- additional work is required as a result of changes in legislation, professional standards or financial reporting requirements.

If changes to this plan and the audit fee are required, we will discuss and agree these initially with the Head of Finance.

Audit Timeline & Deliverables

Deliverable	Purpose	Timing
Planning		
Audit plan	<ul style="list-style-type: none"> Outline audit approach Identify areas of audit focus and planned procedures Confirm plan with management 	February 2010
Year end audit		
Report to those charged with governance (ISA 260)	<ul style="list-style-type: none"> Auditor's report and opinion on your financial statements Auditor's value for money conclusion Auditor's findings and recommendations in relation to the use of resources assessment Findings in relation to any control and process issues Findings in relation to any key audit issues Communication of adjusted and unadjusted audit differences Performance improvement recommendations identified during our audit 	September 2010
Opinion on financial statements and value for money conclusion	<ul style="list-style-type: none"> Report the auditor's opinion on the financial statements Report the auditor's conclusion on the Council's value for money 	September 2010
Annual audit letter	<ul style="list-style-type: none"> Summary of all auditor reports issued and recommendations raised in relation to the 2009/10 external audit work programme 	November 2010

Our key deliverables will be delivered to a high standard and on time.

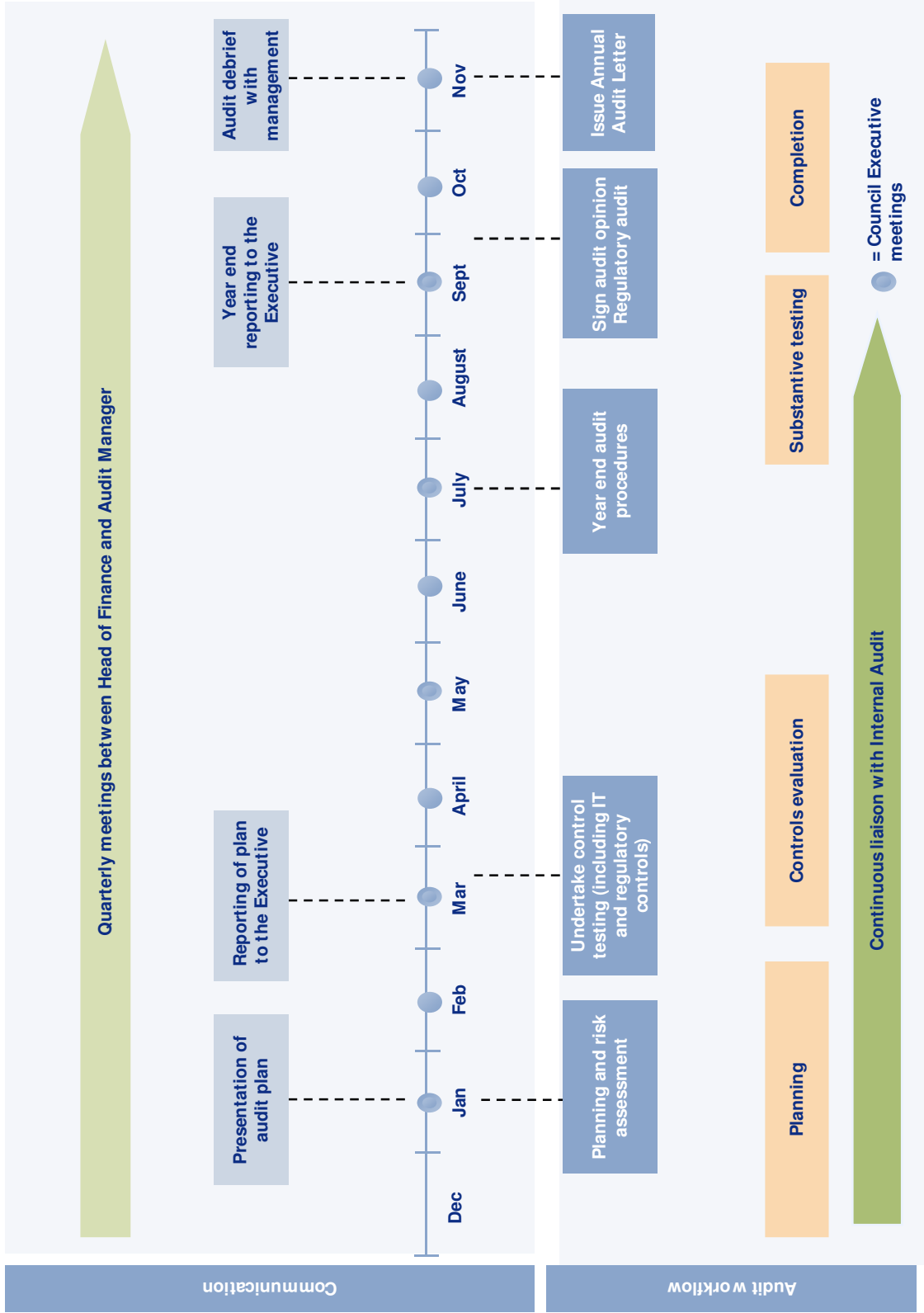
We will discuss and agree each report with the Council's officers prior to publication.

Audit Timeline & Deliverables (continued)

Key formal interactions with management and the Executive are:

- Feb/Mar: Audit plan
- Mar: Interim audit work
- Sept: Year end conclusions

We will be in continuous dialogue with you throughout the audit.



Appendix 1: Meeting Your Expectations

How we will conduct ourselves

Communications

- We will be proactive in developing relationships with your staff where our audit work requires their input.
- We will ensure that all letters and emails are answered within five working days of receipt. All telephone messages received will receive a response within 24 hours, either by the individual concerned or Fleur Nieboer, Audit Senior Manager
- We will ensure that all recommendations, and in particular those relating to our performance management work, are included within our Annual Audit Letter only after having been agreed with relevant Directors.

Working together

- We will ensure that the Director of Resources, the Head of Finance and Procurement, the Accountancy Manager and other key members of staff are kept informed of the progress of our audit work throughout the year.
- We will liaise with staff at all levels of the Council to ensure that our work is appropriately planned and completed and where recommendations are made these are agreed with the likely responsible officer.

Cooperating with the Council

- We will continue to coordinate our work with that of internal audit and ensure that we provide appropriate proactive commentary to the finance function on issues that affect the Council's accounts.
- We will respond promptly to requests for comment on aspects of the Council's operations, where appropriate.

Our expectations of your support

Audit Plan

- Brief our staff on key issues affecting the Council.
- Review and agree the draft plan.

Interim Audit

- Facilitate the completion of internal audit's work (particularly on core financial systems) to timetable.
- Ensure that key officers are available for the duration of our audit.
- Respond to and agree our draft reports in good time.

Accounts Audit

- Ensure that a full draft of the accounts is available at least one week prior to the agreed start date of our audit, and that only agreed adjustments are put into the accounts following receipt of this draft.
- Produce the documents listed within our prepared by client request by the agreed start date of our audit.
- Ensure that the mandatory content of the Annual Report is available at the agreed time of our final account audit.

Annual Audit Letter

- Discuss and agree our draft Annual Audit Letter in good time for the Audit Committee.
- Ensure that all action plans are agreed and followed up in due course.

Other work

- Agree a key Council contact as a focal point for the study or work.
- Discuss and review our findings so that action plans can be fully completed and implemented.

Appendix 2: Independence and Objectivity Requirements

This appendix summarises the auditor's responsibilities regarding independence and objectivity.

Independence and objectivity

Auditors are required by the Code to:

- carry out their work with independence and objectivity;
- exercise their professional judgement and act independently of both the Commission and the audited body;
- maintain an objective attitude at all times and not act in any way that might give rise to, or be perceived to give rise to, a conflict of interest; and
- resist any improper attempt to influence their judgement in the conduct of the audit.

In addition, the Code specifies that auditors should not carry out work for an audited body that does not relate directly to the discharge of the auditors' functions under the Code. If the Council invites us to carry out risk-based work in a particular area, which cannot otherwise be justified to support our audit conclusions, it will be clearly differentiated as work carried out under section 35 of the Audit Commission Act 1998.

The Code also states that the Commission issues guidance under its powers to appoint auditors and to determine their terms of appointment. The Standing Guidance for Auditors includes several references to arrangements designed to support and reinforce the requirements relating to independence, which auditors must comply with. These are as follows:

- Any staff involved on Commission work who wish to engage in political activity should obtain prior approval from the Partner.
- Audit staff are expected not to accept appointments as lay school inspectors.
- Firms are expected not to risk damaging working relationships by bidding for work within an audited body's area in direct competition with the body's own staff without having discussed and agreed a local protocol with the body concerned.
- Auditors are expected to comply with the Commission's statements on firms not providing personal financial or tax advice to certain senior individuals at their audited bodies, auditors' conflicts of interest in relation to PFI procurement at audited bodies, and disposal of consultancy practices and auditors' independence.
- Auditors appointed by the Commission should not accept engagements which involve commenting on the performance of other Commission auditors on Commission work without first consulting the Commission.
- Auditors are expected to comply with the Commission's policy for the Engagement Lead to be changed on each audit at least once every five years (subject to agreed transitional arrangements). Audit suppliers are required to obtain the Commission's written approval prior to changing any Engagement Lead in respect of each audited body.
- Audit suppliers are required to obtain the Commission's written approval prior to changing any Engagement Lead in respect of each audited body.
- The Commission must be notified of any change of second in command within one month of making the change. Where a new Engagement Lead or second in command has not previously undertaken audits under the Audit Commission Act 1998 or has not previously worked for the audit supplier, the audit supplier is required to provide brief details of the individual's relevant qualifications, skills and experience.

Appendix 3: Sustainability

This appendix summarises the auditor's commitment to sustainability.

Sustainability

The Audit Commission is committed to promoting sustainability in working practices and we will actively consider opportunities to reduce our impact on the environment. This will include:

- reducing paper flow by encouraging you to submit documentation and working papers electronically;
- use of video and telephone conferencing for meetings as appropriate;
- reducing travel; and
- other initiatives.

KPMG are also taking steps to improve our environmental performance. Achievements to date include:

- all offices certified ISO14001, the leading international standard for environmental management systems;
- our Responsible Consumption programme enables our people to actively contribute to the firm being environmentally responsible;
- more than 40 percent of paper purchased is recycled paper;
- over 90 percent of the electricity used in buildings is now from renewable sources; and
- some 1.8 million travel miles have been saved through car sharing schemes and 1.5 million miles have been saved through audio and video conferencing.

This page is intentionally left blank

Agenda Item 6

Title of Report:	KPMG Grants Audit
Report to be considered by:	Governance and Audit Committee
Date of Meeting:	27 April 2010
Forward Plan Ref:	GAC2040

Purpose of Report: To inform Members of External Audit's audit of grants in 2008-09.

Recommended Action: To note the report.

Reason for decision to be taken: In accordance with Audit Commission reporting requirements.

Other options considered: None

Key background documentation: None

Portfolio Member Details	
Name & Telephone No.:	Councillor Keith Chopping - (0118) 983 2057
E-mail Address:	kchopping@westberks.gov.uk
Date Portfolio Member agreed report:	08/04/2010

Contact Officer Details	
Name:	Joseph Holmes
Job Title:	Accountancy Manager
Tel. No.:	01635 519474
E-mail Address:	jholmes@westberks.gov.uk

Implications

Policy: None

Financial: None

Personnel: None

Legal/Procurement: None

Property: None

Risk Management: None

Equalities Impact Assessment: None

Corporate Board's View: The report was noted.

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

Executive Summary and Report

1. Introduction

- 1.1 Attached is a summary of KPMG's audit report on their grants audit for 2008-09. Overall, the grants audit cost the council £34k. This was a small decrease on the previous year and below KPMG's budgeted audit fee of £45k.
- 1.2 KPMG are required to present this to those charged with governance by the Audit Commission.

2. Proposals

- 2.1 To note the report.

3. Conclusion

- 3.1 For members to note and comment on this summary. The main summary of KPMG's activities is presented to members in September of each year and summarises their work on Use of Resources and the audit of financial statements.

Appendices

Appendix A – Certification of grants and returns 2008/09.

Consultees

Local Stakeholders: Not consulted
Officers Consulted: Corporate Board
Trade Union: Not consulted

This page is intentionally left blank



PUBLIC SECTOR

Certification of grants and returns 2008/09

West Berkshire Council

22 March 2010

AUDIT

AUDIT ■ TAX ■ ADVISORY

Certification of grants & returns 2008/09

Contents

The contacts at KPMG in connection with this report are:

Greg McIntosh

Director
KPMG LLP
Tel:020 7311 6430
greg.mcintosh@kpmg.co.uk

Emma Foy

Manager
KPMG LLP
Tel:0207 311 6535
emma.foy@kpmg.co.uk

	Page
• Headlines	2
• Summary of certification work outcomes	3
• Fees	5
• Recommendations	6

This report is addressed to the Authority and has been prepared for the sole use of the Authority. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. The Audit Commission has issued a document entitled Statement of Responsibilities of Auditors and Audited Bodies. This summarises where the responsibilities of auditors begin and end and what is expected from the audited body. We draw your attention to this document.

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

If you have any concerns or are dissatisfied with any part of KPMG's work, in the first instance you should contact Greg McIntosh, who is the engagement leader to the Authority (telephone 0121 232 3215, e-mail greg.mcintosh@kpmg.co.uk who will try to resolve your complaint. If you are dissatisfied with your response please contact Trevor Rees (telephone 0161 236 4000, e-mail trevor.rees@kpmg.co.uk) who is the national contact partner for all of KPMG's work with the Audit Commission. After this, if you are still dissatisfied with how your complaint has been handled you can access the Audit Commission's complaints procedure. Put your complaint in writing to the

Complaints Investigation Officer, Westward House, Lime Klin Close, Stoke Gifford, Bristol, BS34 8SR or by e mail to: complaints@audit-commission.gov.uk. Their telephone number is 0844 798 3131, textphone (minicom) 020 7630 0421

Certification of grants & returns 2008/09

Headlines

Introduction & background	<p>This report summarises the results of work on the certification of the Council's 2008/09 grant claims and returns</p> <ul style="list-style-type: none"> ● For 2008/09 we certified <ul style="list-style-type: none"> – Five grants and returns with a total value of over £110m 	-
Certification results	<p>We issued unqualified certificates for all grants and returns</p> <ul style="list-style-type: none"> ● This is consistent with prior year 	Pages 3 – 4
Audit adjustments	<p>Adjustments were necessary to one the Council's grants and returns as a result of our certification work this year</p> <ul style="list-style-type: none"> ● Significant adjustments were made to the SureStart grant claim and a small number of small adjustments were made to the Housing Benefits and NNDR claim forms. 	Pages 3 – 4
The Council's arrangements	<p>The Council has adequate arrangements for preparing its grants and returns and supporting our certification work</p>	Page 5
Fees	<p>Our overall fee for the certification of grants and returns has been contained within the original estimate</p> <ul style="list-style-type: none"> ● Overall audit fees are reduced from the prior period and plans are in place to reduce fees further for our 2009-10 audit 	Page 6

Summary of certification work outcomes

Overall, we certified five grants and returns

- Two were unqualified with no amendment
- One was unqualified but required some amendment to the final figures
- Detailed comments are provided overleaf

Detailed below is a summary of the key outcomes from our certification work on the Council's 2008/09 grants and returns, showing where either audit amendments were made as a result of our work or where we had to qualify our audit certificate.

A qualification means that issues were identified concerning the Council's compliance with a scheme's requirements that could not be resolved through adjustment. In these circumstances, it is likely that the relevant grant paying body will require further information from the Council to satisfy itself that the full amounts of grant claimed are appropriate.

Comments overleaf	Qualified certificate	Significant adjustment	Minor adjustment	Unqualified certificate
1			1	
2		2		
				1
				1
3			3	
Total	0	1	2	2

Housing Benefits

SureStart

Teachers Pension

Disabled Facilities Grant

NNDR

Summary of certification work outcomes

This table summarises the reasons behind the adjustments that were identified on the previous page

Ref	Summary observations	Amendment
1	<p>Housing Benefits</p> <ul style="list-style-type: none"> A number of very small adjustments were identified as part of our testing which totalled £3,285 as a result of our case testing. 	-£84
2	<p>SureStart</p> <ul style="list-style-type: none"> Budget capital expenditure rather than actual expenditure figures had been used to complete the form therefore the form had to be represented to us for audit. This was found during our testing of capital expenditure to the general ledger system. This did not result in a change in funding. 	-£274,841
3	<p>NNDR</p> <ul style="list-style-type: none"> One adjustment was made to the form detailing the latest date that Valuation office information had been used to compile the form. 	No monetary effect

We have raised one recommendation on page six of this report to address the above issues

Certification of grants & returns 2008/09

Fees

Our overall fee for the certification of grants and returns has been contained within the original estimate and has reduced from prior year.

Breakdown of certification fees 2008/09

Breakdown of fee by grant / return	2008/09 (£)	2007/08 (£)
Housing Benefits	18,160*	11,717
Disabled Facilities Grant	1,155	1,540
NNDR	6,035	7,510
Teachers Pension	2,230	4,360
Connexions	N/A	3,990
SureStart	6,760	7,500
Pooling of Capital Receipts	N/A	1,778
Total fee	34,340	36,617

* The fee for the 2008-09 Housing Benefits Audit exceeded the 2007-08 fee due to the additional testing required by the new HB Count modular approach to Housing Benefits testing.

Our initial estimated fees for certifying 2008/09 grants and returns was £45,000. The actual fee charged was lower than estimate. We have noted three recommendations on page six of this report for West Berkshire to consider which will help both KPMG and the Council to identify efficiencies in the grants audit process.

We have given each recommendation a risk rating and agreed what action management will need to take. We will follow up these recommendations during next year's audit.

Priority rating for recommendations					
Issue	Implication	Recommendation	Priority	Comment	Responsible officer & target date
<p>1 Issues that are fundamental and material to your overall arrangements for managing grants and returns or compliance with scheme requirements. We believe that these issues might mean that you do not meet a grant scheme requirement or reduce (mitigate) a risk.</p> <p>2 Issues that have an important effect on your arrangements for managing grants and returns or complying with scheme requirements, but do not need immediate action. You may still meet scheme requirements in full or in part or reduce (mitigate) a risk adequately but the weakness remains in the system.</p> <p>3 Issues that would, if corrected, improve your arrangements for managing grants and returns or compliance with scheme requirements in general, but are not vital to the overall system. These are generally issues of best practice that we feel would benefit you if you introduced them.</p>					
Review of completed claims against grant completion instructions					
<p>Grant completion instructions</p> <p>Two claims were completed incorrectly as grants completion instruction had not been followed.</p>	<p>This led to delays and extra fees for the grant to be certified.</p>	<p>1 Before the claim is signed off the responsible officer for the claim reviews the form against completion instructions and provides confirmation of this to the responsible financial officer certifying the claim from the authority.</p>	<p>1</p>		

This page is intentionally left blank

Agenda Item 7

Title of Report:	Internal Audit Report Quarter 3 of 2009/10
Report to be considered by:	Governance and Audit Committee
Date of Meeting:	27 April 2010
Forward Plan Ref:	GAC1903

Purpose of Report: To update the Committee on the outcomes of audits completed in the third quarter

Recommended Action: To consider the outcomes of the audit work

Reason for decision to be taken: To support the governance arrangements of the Council

Other options considered: None

Key background documentation: None

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

CPT13 - Value for Money

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

Improving the governance arrangements of the Council

Portfolio Member Details	
Name & Telephone No.:	Councillor Keith Chopping - (0118) 983 2057
E-mail Address:	kchopping@westberks.gov.uk
Date Portfolio Member agreed report:	01 March 2010

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: The issues identified as a result of internal audit work should inform the risk management arrangements of the services that have been audited

Equalities Impact Assessment: none

Corporate Board's View:

Is this item subject to call-in?	Yes: <input checked="" type="checkbox"/>	No: <input 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 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 report outlines the results of the work of Internal Audit over the third quarter of 2009-10.

2. Proposals

- 2.1 Consider results of audits where the opinion is weak or very weak, and note the comments / update provided by the relevant Head of Service
- 2.2 Consider results of follow up audits where progress is felt to be unsatisfactory, and note the comments / update provided by the relevant Head of Service

3. Conclusion

- 3.1 No fundamental weaknesses were identified in the Council's overall internal control framework. However, serious issues are noted in respect of two audits in Property Services, and these are now being dealt with by the Head of Property Services through the agreed action plans.

Executive Report

1. Introduction

1.1 The purpose of this report is to outline the key issues arising from the work of Internal Audit over the third quarter of 2009-10.

1.2 The report highlights the following:

- (1) any reports finalised in the last quarter where the overall opinion was weak or very weak.
- (2) any follow up work with an unsatisfactory opinion.
- (3) any wider audit issues that may affect Internal Audit or the Council
- (4) the current position re resourcing of internal audit and the implications for completion of the annual audit plan.

1.3 A number of appendices are attached and provide more detail. These are:

- (1) A listing of audit work that is presently underway (Appendix A1 and A2)
- (2) A listing of audits completed in the last quarter (ie Final report issued). The overall opinion is given with the number and severity of weaknesses identified. (Appendix B)
- (3) A listing of follow up work that is in progress (Appendix C)
- (4) A listing of follow up work completed in the last quarter, together with an opinion and a note of the number of recommendations that remain outstanding. (Appendix D)

2. Reports where the overall opinion was weak/very weak

2.1 Appendix B notes one audit that is rated as very weak, and one that is weak. We have set out the concerns we have raised at the time of the audit with the Head of Service, and included comments from the Head of Service in response.

	COMMERCIAL RENTS
	Internal Audit opinion – 30.11.2009
	Overall a weak audit opinion was given in respect of the Commercial Rents audit, areas of concern identified were as follows: <ul style="list-style-type: none">• There is a lack of procedural guidance in respect of lettings, rent reviews, issue of temporary licences, processing of surrenders and management of void properties.• The Premise database is not being fully utilised to generate management reports for acquisitions, disposals and recent

	<p>amendments for data held (disposals, issue of temporary licences, surrenders), therefore confirmations supplied to Audit as to recent acquisitions, disposals and amendments was reliant on verbal confirmation from the Asset Development Manager.</p> <ul style="list-style-type: none"> • There is no comprehensive listing in place that details all those WBC owned properties that are insured by the tenant. There is no subsequent monitoring that tenants have procured the appropriate insurance. • We were unable to verify from the physical evidence retained on the manual reconciliations of the Premise database and insurance files that the WBC insurer is regularly updated of alterations to the property schedules.
	<p>Head of Property Services update / comments –</p>
	<p>There are few if any written procedures and this was recorded during the Service Review and the Property Unit in May 2009. The action plan proposes the introduction of procedures and recorded processes across the service. The implementation of this work is reliant upon recruiting to the Business Development Manager (BDM) position that was formed from the restructure of the service emanating from the same review. The Corporate SMR however has delayed the recruitment process which will now not take place until April 2010.</p> <p>The weaknesses of the Premise database have been known for some time. This is a database introduced by Amey during their partnership with WBC. The service has been driving towards a new database for almost two years; this has now finally been approved by the ICT and Capital Strategy Boards. The introduction of a new database relies upon the resources of the BDM but as noted above this will be recruited to until April 2010</p> <p>Insurance have agreed that they will check with the tenants about the insurance cover if we provide them (i.e.. insurance) with a list of tenants who are responsible for their own insurance. Oliver Ward will be tasked to produce a list.</p> <p>This cannot be resolved for past records but it is expected that a new database will offer appropriate reporting facilities.</p>

	<p>BUILDING MAINTENANCE</p> <p>Internal Audit opinion – 30.11.2009</p>
	<p>Overall a very weak audit opinion was given in respect of the Building Maintenance audit, areas of concern identified were as follows:</p> <ul style="list-style-type: none"> • The Corporate CMP is not built on the results of the condition surveys. The rolling condition survey programme has outstanding surveys for

	<p>2007/8 and 2008/9. Review of the D1 priorities on the condition surveys for Avonbank and Market Street show a significant backlog of priority works to be completed.</p> <ul style="list-style-type: none"> • There is a backlog of outstanding condition surveys both fabric (WBC) and mechanical / Electrical (Kier). There is no physical evidence that data input into the Premise database is accurate; and the database does not provide an adequate audit trail of amendments made to each survey. • In respect of statutory checks on corporate buildings, there is no formal mechanism in place to report on those corporate buildings that have not been checked within the statutory timeframes. • In respect of statutory checks on Educational Establishments, the programme of checks has been delegated to the central contractor (this includes creation of the programme), currently the Maintenance Manager does not receive a copy of the programme in order to monitor the contractors service delivery. There is no formal mechanism in place to report on those education buildings that have not been checked within the statutory timeframes.
	<p>Head of Property Services update / comments</p>
	<ul style="list-style-type: none"> • The maintenance work to the Corporate Admin Buildings is undertaken in line with the condition survey highlighted priorities. We cannot be sure that 'building owners' have not taken decisions to undertake works without Property involvement or against Property advice, not in line with the priorities. Since the Avonbank and Northcroft buildings were to be disposed of and that is in fact now the case, a decision was taken not to make unnecessary expenditure to these buildings. In any event there is a limited budget for maintenance work and accordingly there is and will remain a backlog. A new Asset Database may help to evidence this process better. This has now been approved by Capital Strategy Board and ICT Strategy Board but implementation will not commence until the Business Development and Quality Manager and team are in place. Due to the Corporate SMR this will not be until at least April 2010. Now that approval has been given for the new database it will need to be sourced and implemented which is expected to take about 2 years. New condition surveys are commencing to complete the 5 year programme in addition a revised survey is scheduled for Market St w/c 15th February 2010. • The surveys are part of a 5 year rolling programme and the fifth year of which is about to commence as noted above. Hence there will be a backlog of surveys until the fifth year of the 5 year programme is completed. It is accepted that the current database does not meet requirements however there is no reason to suggest that the data held on it is inaccurate. A new system is proposed as noted above. • In terms of the Corporate Admin Buildings that Property Services manage there is a record and programme in place for this purpose. For buildings managed by other services this falls to the RP of each building having been provided with a calendar of servicing needs. However a new database as noted above will enable better reporting

	<p>and as such better information to RP's. The Council's compliance Officer will monitor this compliance issue.</p> <ul style="list-style-type: none"> • The same process is used for these buildings as above. Property Service do not have any information regarding the implementation of statutory checks relating to schools that do not buy back into the service.
--	---

3. Follow up work given an unsatisfactory opinion

3.1 Two of the follow up audits carried out in this quarter were given an unsatisfactory opinion. We have set out the concerns we have raised at the time of the audit with the Head of Service, and included comments from the Head of Service in response.

	<p>CONTRACT LETTING</p> <p>Internal Audit opinion – 10/11/2009</p>
	<p>Amendments to the Contract Rules of Procedure have been drafted to address our recommendations and these changes are in the process of being approved.</p> <p>However, there are a couple of areas where the recommendations have not progressed which we consider still need to be addressed in order for us to feel comfortable that the control framework is sufficiently robust. These are as follows:-</p> <p>There were two recommendations outstanding covering the need to expand the guidance on Conflicts of Interest and to ensure that all guidance including this area is consistent/appropriately cross-referenced.</p> <p>Two of the recommendations required that the processes for carrying out the checks for compliance with the Contract Rules of Procedure should be documented. We also noted that at the time of our follow-up the proposed compliance checks had not commenced, which weakens the control framework.</p>
	<p>Head of Finance response</p>
	<p>The implementation of the recommendations has been delayed because of the changes resulting from the SMR with the break up of the Contracts and Procurement Team from the 1st April.</p> <p>The Head of Finance is dealing with the recommendations relating to compliance checks and has transferred the responsibility for these to the Assurance Team.</p> <p>The Head of Legal and Electoral Services will pick up the issues relating to conflicts of interest.</p>

	HOME TO SCHOOL TRANSPORT
	Internal Audit opinion – 23.11.2009
	Ten audit recommendations are made in the final audit report, five of which were agreed by the service. At the time of the follow up only one of the agreed recommendations had been fully implemented. The two significant recommendations not fully implemented at the time of the audit relate to the level of detail included in documentation and the establishment of a standardised procedure for assessing off road routes.
	Head of Education response
	Regarding the two recommendations referred to: Recommendation 2, which is identified as the responsibility of Appeal Panel Members, will be discussed with Members when undertaking member training this month on all aspects of the appeals process in liaison with Policy and Communication officers, as previously agreed within the current action plan to put in place the outcomes of the member led PDC on Home to School Transport for the 2010/11 year. Recommendation 4. will also be taken up within the same action plan to meet the revised Home to School Transport policy for 2010/11 in liaison with other service areas, and will be in place for dealing with 2010/11 applications.

4. Staffing issues

- 4.1 Internal Audit has one vacancy at Senior Auditor level. This post is responsible for leading the FMSiS work, however this post is being held vacant to deliver managed vacancy savings.
- 4.2 By the end of the third quarter 63% of the audit plan had been completed. The projection for the year end is 84%.

Appendices

Appendix A1 – Current Audits
Appendix A2 – Issued audits
Appendix B – Completed Audits
Appendix C – Current follow ups
Appendix D – Completed follow ups

Consultees

Local Stakeholders: None
Officers Consulted: Head of Finance, Head of Property Services, Head of Education
Trade Union: Not consulted

Internal Audit Quarterly Report – List of work commenced

Appendix A1

Quarter 3

Directorate/Service/Audit Title	key risks being covered	Audit Plan/Year (planned report issue date)	Current Position of Work (revised report issue date)
Corporate Audits			
Finance			
Use of Consultants	<ul style="list-style-type: none"> • To ensure that the Council has an effective monitoring function in place for the use of consultants across the Council, which covers the following:- <ul style="list-style-type: none"> a) Sample checks are undertaken/recorded to ensure that Service areas are complying with the Council's procedures, and the checks cover the following; b) Issues of non compliance identified are flagged up at the appropriate level and remedial action taken where necessary; c) Records are maintained of individual queries received from managers together with the advice that was given; d) A training programme has been set up for managers covering the guidance/procedures for appointing/managing external consultants; e) The outstanding revisions to guidance highlighted in our most recent follow-up have been progressed. 	2009/10 (End of November)	Testing (April 2010)
General Ledger	<ul style="list-style-type: none"> • To ensure that day to day budget transaction processing is complete and accurate. We will also review the effectiveness of the data uploads from feeder systems onto Agresso. • To ensure that Agresso is being fully utilised in setting up and monitoring budgets. 	2009/10 (end of January 2010)	Testing (April 2010)

Internal Audit Quarterly Report – List of work commenced

Appendix A1

Quarter 3

Chief Executive			
Finance			
National Fraud Initiative	<ul style="list-style-type: none"> Review of data matches highlighted by the Audit Commission's mandatory data matching exercise. 	Ongoing (Audit Commission require results by January 2010)	Investigating matches (January 2010)
Procurement	<ul style="list-style-type: none"> To ensure that the Contract Rules of Procedure are compliant with legislation. To ensure that the awarding of tenders and contracts is undertaken in line with the Contract Rules of Procedure and that awarded contracts are effectively managed and monitored. To ensure that there is an up to date Central Supplier listing which is complete, current and appropriately authorised. 	2009/10 (end of December 2009)	Testing (end of April 2010)
Benefits & Exchequer			
Housing Benefits	<ul style="list-style-type: none"> To ensure that there is an effective framework in place for the administration of housing benefits which is in accordance with DWP guidance. To ensure that there are reconciliations between rent rebates recorded on SX3 and payments made, together with a reconciliation between Council Tax Benefit recorded on the Council Tax system compared with the information recorded on the Housing Benefit System. 	2009/10 (end of December 2009)	Report being drafted (February 2010)

Internal Audit Quarterly Report – List of work commenced

Appendix A1

Quarter 3

Planning & Transport Strategy			
Building Control	<ul style="list-style-type: none"> To ensure that applications have been correctly recorded on the building control system in a timely manner, in accordance with statutory guidance and progression of applications is regularly monitored. To ensure that the fees charged are appropriate, requested in a timely manner and banked promptly. This will involve ensuring that fees charged are in accordance with the LGA Model Scheme and applied correctly for differing stages of building control. Prompt request of invoices, prompt collection of outstanding monies, and reconciliation of income are undertaken. 	2009/10 (November 2009)	Report being drafted (end of April 2010)

Children & Young People

Education			
Dedicated Schools Grant	<ul style="list-style-type: none"> To ensure that the basis of the split of the DSG between central expenditure and the Individual Schools Budget (ISB) is compliant with legislation, and to review the consultation arrangements in place with the Schools Forum. To ensure that the central DSG allocation has been deployed in accordance with the School Finance (England) Regulations 2008. To ensure that information submitted to the DCSF is accurate and in accordance with legislation and by legislated timescales. 	2009/10 (end of May 2010)	Testing
Building Schools for the Future – St Bartholomew's Re Build	<ul style="list-style-type: none"> Pre Contract 2.1.1 Design – copy / innovate 2.1.2 Method of procurement – contract type 2.1.3 Tender invitation 2.1.4 Tender evaluation 	A draft report will be issued to the Project Sponsor at the conclusion of each of the	Pre Contract

Internal Audit Quarterly Report – List of work commenced

Appendix A1

Quarter 3

	<p>2.1.5 Financing – MTFS / Capital / BSF funding / Cash flow / Contingency. 2.1.6 Bond / insurance 2.1.7 Contractor management process 2.2.8 Forward look</p> <ul style="list-style-type: none"> • Build stage <p>2.3.1 Governance arrangements update – records of meetings and decisions taken. Focus on clarity of accountability. Focus on risk management</p> <p>2.3.2 Financial information</p> <p>2.3.3 Valuations and interim payments</p> <p>2.3.4 Price fluctuations</p> <p>2.3.5 Variations</p> <p>2.3.6 Claims</p> <p>2.3.7 Forward look</p> <ul style="list-style-type: none"> • Post Contract <p>2.1.8 Final Account 2.1.9 Post implementation review is carried out (not by audit) 2.1.10 Liquidated and ascertained damages applied as appropriate 2.1.11 Lessons learned.</p>	sections of the audit	
<p>Youth Services & Commissioning Contact Point</p>	<ul style="list-style-type: none"> • The purpose of this review is ensure that the key 28 criteria established by the DSCF are complied with in order that the annual compliance statement due from the Corporate Director for Children and Young People to the DSCF can be signed off and submitted by the 30th June 2010 deadline. 	2009/10 (end of April 2010)	Planned

Internal Audit Quarterly Report – List of work commenced

Appendix A1

Quarter 3

Community Services			
<p>Adult Services Assessment of Need /Purchase of Care (Learning Disability/Mental Health)</p>	<ul style="list-style-type: none"> To ensure that the Council has an effective assessment framework in place that is in compliance with Legislation and Department of Health Guidance. To ensure that clients needs are assessed at the required frequency and that this information is recorded accurately and promptly on the Client database (RAISE), and is reflected in the level of care being provided. To ensure that there are standard procedures in place for the selection of providers, and that this takes into account value for money. 	<p>2008/9 (end of February 2009)</p>	<p>Audit put on hold – picked up again during the summer 2009 (March 2010)</p>
<p>Housing & Performance Housing Register</p>	<ul style="list-style-type: none"> To ensure that the Council has an allocation scheme for determining priorities for the allocation of housing accommodation and that this is in line with key legislation / guidance. To ensure that there are adequate procedures and processes in place covering all aspects of the housing allocation process and these processes are being complied with. 	<p>2009/10 (end of March 2009).</p>	<p>Planned (end of May 2010)</p>

Quarter 3

Countryside & Environment			
Waste Management Contract – Contract Management	<ul style="list-style-type: none"> To ensure that the Service has established an effective framework to monitor the Integrated Waste Management contract. To ensure that the Service has established processes for checking/monitoring the contractor's performance both in quantitative and qualitative terms. 	2009/10 (November 2009)	Testing (March 2010)

Internal Audit Quarterly Report – List of draft reports issued

Appendix A2

Quarter 3

Directorate/Service	Audit Title	Audit Plan/Year (actual report issue date)	(expected finalisation date)
---------------------	-------------	--	------------------------------

Chief Executive			
------------------------	--	--	--

Corporate	Management of the Constitution	2009/10	February 2010

Children & Young People			
------------------------------------	--	--	--

--	--	--	--

Community Services			
---------------------------	--	--	--

--	--	--	--

This page is intentionally left blank

**Internal audit quarterly report - List of completed audits
(3rd Quarter 2009/10)**

Appendix B

Directorate/Service	Audit Title	Date finalised	Overall Opinion	Agreed Recommendations (no.s per category of weakness and total)				
				Total	Fundamental	Significant	Moderate	Minor
Chief Executive								
Benefits and Exchequer	Payroll/Travel Expenses	16/12/2009	Satisfactory	13				
Human Resources	Absence Management	23/12/2009	Well Controlled	12			6	7
Cultural Services	Shaw House	26/01/2010	Satisfactory/Adv isory (3 rd objective covered in an advisory capacity therefore not included in the assessment of the overall opinion).	16		3	6	7
Property Services	Building Maintenance	30/11/2009	Very Weak	10	3	5	2	
Property Services	Commercial Rents	30/11/2009	Weak	9		6	3	
Policy & Communication	Members Expenses	10/11/2009	Well Controlled	2			2	
Children and Young People								
Education	School Admissions	29/10/2009	Well Controlled	3		1		2
Youth Services & Commissioning	Castlegate	10/11/2009	Satisfactory	10			5	5
Community Services								
Environment								

NOTE

**Internal audit quarterly report - List of completed audits
(3rd Quarter 2009/10)**

Appendix B

The overall opinion is derived from the number/significance of recommendations together with using professional judgement. The Auditor's judgement takes into account the depth of coverage of the review (which could result in more issues being identified) together with the size/complexity of the system being reviewed.

Quarter 3

Directorate/Service	Audit title
Chief Executive	
Finance	General Ledger
Finance	Fixed Asset Register
Benefits and Exchequer/Finance	Accounts Payable
Benefits and Exchequer	Housing Benefits
Benefits and Exchequer	Council Tax
Benefits and Exchequer	NNDR
Human Resources	Recruitment
I.C.T.	I.T. Security
Children and Young People	
Education	Child Protection in Schools
Children's Services	Purchasing Care Residential
Children's Services	Foster Care
Community Services	
Environment	
Countryside and Environment	Taxi Licensing

This page is intentionally left blank

Internal audit quarterly report - List of completed Follow-ups
Quarter 3

Appendix D

<u>Directorate/Service</u>	<u>Audit Title</u>	<u>Date finalised</u>	<u>Overall Opinion of Report</u>	<u>Opinion – Implementation progress</u>	<u>No. of Agreed Recommendations</u>	<u>Recommendations not fully implemented (no.s per category and total)</u>				
						Total	Fundamental	Significant	Moderate	Minor
Chief Executive										
Finance	Central Administration of Petty Cash/Imprest Accounts	01/12/09	N/A – No overall opinion given	Satisfactory	4 (not categorised)	2				
Finance	Contract Letting	10/11/09	Satisfactory	Unsatisfactory	16	13			4	9
Finance	Webrisk	09/12/09	Weak	Satisfactory	14	7	1		4	2
Children and Young People										
Education	Home to School Transport	23/11/09	Satisfactory	Unsatisfactory	5	4	2		2	
Community Services										
Adult Services	Social Work Fund	16/12/09	N/A – No overall opinion given	Satisfactory	8 (not categorised)	5				
Adult Services	Pooled Budgets	16/12/09	Weak	N/A – No longer a Pooled Budget in place.	10					
Environment										

This page is intentionally left blank

Agenda Item 8

Title of Report:	Internal Audit Strategy and Plan 2010-2013
Report to be considered by:	Governance and Audit Committee
Date of Meeting:	27 April 2010
Forward Plan Ref:	GAC1904

Purpose of Report: To set out proposals for the internal audit of the Council's services over the next three years

Recommended Action: Approve the strategy and plan

Reason for decision to be taken: To provide an ongoing review of the Council's system of internal control

Other options considered: None

Key background documentation: None

The proposals contained in this report will help to achieve all Council Plan Priorities and Themes

Portfolio Member Details	
Name & Telephone No.:	Councillor Keith Chopping - (0118) 983 2057
E-mail Address:	kchopping@westberks.gov.uk
Date Portfolio Member agreed report:	8/4/10

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: The results of internal audits often identify weaknesses in internal controls. These issues are fed through into the Council's Risk Management arrangements as services implement mitigating controls to manage the risks that those weaknesses identify.

Equalities Impact Assessment: none

Corporate Board's View: Requested additional items be added to the plan.

Is this item subject to call-in?	Yes: <input checked="" type="checkbox"/>	No: <input 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 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 purpose of this report is to outline the Internal Audit Strategy and Plan for the coming year.

2. Proposals

- 2.1 The Audit Plan at appendix B sets out the proposals for audit coverage for the coming year.

3. Conclusion

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

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 20010-13 is attached at **appendix B**. The plan analyses the different areas of Council activity that Internal

Audit fees 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 complexity of the 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 (see **Appendix C**). 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.

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 D**

4.2 There are a number of 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 Planned vacancies include one Senior Auditor post. This will help deliver the MVF target for the Finance Service. The Plan has been built on the assumption that this post will remain vacant for the whole year.

5.2 The impact of the planned vacancies is manageable in terms of levels of risk to the Council.

Appendices

Appendix A – Audit Terms of Reference

Appendix B – Audit Plan

Appendix C – Strategic Risk Register – Feb 2010 analysis of high gross – low net risk areas

Appendix D – Audit Protocol

Consultees

Local Stakeholders: None

Officers Consulted: Corporate Board

Trade Union: None

This page is intentionally left blank

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.

Internal Audit Work Programme - 2010-13

Key risks to be covered		Complexity (Using a scale of 1-4, with 1 being the least complex)	Risk Assessment Category	Audit Type	Date last audited	2010-11 Days Est	2011-12 Days Est	2012-13 Days Est	TOTAL Days 2010-2013 Est	Fieldwork	Business Owner
Corporate Audits											
Income collection - spot checks	a) Theft/Fraud	1	High	AFW	2009-10	20	20	20	60		
Capital planning / programme / use of PMM	a) Ineffective project management - budgets exceeded/deadlines exceeded/outcome does not meet client needs b) Implementation and usage of PMM	4	High	SR	2004-05	20			20		
F NFI Investigation work	a) fraud by employees/residents b) Low score on the U of R	2	High	AFW	2009-10	30	30	30	90		F
Telecommunications	a) Inappropriate use of equipment/ineffective monitoring of personal calls resulting in unnecessary expenditure being incurred possibility of Fraud/abuse b) There isn't a consistent approach when determining "Poor vfm"	3	Medium	AFW	Not Audited	20			20		
Procurement of ICT hardware and software	a) Poor vfm b) Poor compatibility with existing systems c) failure to follow Contract Rules d) Poor implementation	4	Medium	SR	Not Audited	20			20		
total						110	50	50	210		
Chief Executive Directorate											
Travel Claims	a) Fraudulent claims b) Inaccurate payments	1	Medium	AFW	2004-5		10	10	10		Ct
total						0	0	10	10		
Corporate Director - Environment											
Travel Claims	a) Fraudulent claims b) Inaccurate payments	1	Medium	AFW	2004-5		10	10	10		Ct
total						0	10	0	10		
Corporate Director - Community Services											
Travel Claims	a) Fraudulent claims b) Inaccurate payments	1	Medium	AFW	2004-5		10	10	10		Ct
total						0	10	0	10		
Corporate Director - Children's Services											
Travel Claims	a) Fraudulent claims b) Inaccurate payments	1	Medium	AFW	2004-5	10			10		Ct
total						10	0	0	10		

Internal Audit Work Programme - 2010-13

Key risks to be covered

Head of Finance (JG)		Complexity (Using a Risk Assessment scale of 1-4, with 1 being the least complex)		Date last audited	2010-11 Days Est	2011-12 Days Est	2012-13 Days Est	TOTAL Days 2010-2013 Est	Fieldwork	Business Owner
			Category	Audit Type						
Insurance	a) Inappropriate assessment of uninsured losses b) inaccurate claims record for management information	2	Low	SR	2002-03	15	15	15		Head of Finance
Governance / Risk Management	a) Non compliance with CPA requirements b) Ineffective framework for SIC reporting	3	High	SR	2007-08	15	15	15		Head of Finance
Health and Safety	a) Non compliance with H&S Legislation - legal action/penalties	2	High	SR	2005-06	15	15	15		Head of Finance
Webrisk	a) Poor use of information	2	Medium	SR	2008-09			0		Head of Finance
F General Ledger (managed audit)	a) Inaccurate information for management decisions b) Budgets exceeded c) Qualified accounts	2	Medium	KFS	2009-10	10	10	30		Head of Finance
F Fixed Asset Register (managed audit)	a) Non compliance with accounting standards b) Qualified Accounts	2	Low	KFS	2009-10	10	10	30		Head of Finance
Budget Monitoring	a) Inaccurate Information b) poor decision making	2	High	SR	2007-08		20	20		Head of Finance
MTFS	a) Council's financial targets are not realised b) Budget pressures c) Increases in Council Tax	4	High	SR	2006-07		15	15		Head of Finance
Treasury Management (managed audit)	a) Inappropriate cashflow decisions - income not maximised b) Legislation/Internal policies not complied with	2	Low	KFS	2009-10	10	10	30		Head of Finance
Bank Reconciliation (cover Chaps payments)	a) Inappropriate transactions processed through the bank b) Inaccurate year end accounts c) Qualified opinion from External Auditors	2	Medium	OR	2005-06	15		15		Head of Finance
VAT	a) Non compliance with Customs and Excise requirements - financial penalties	2	Medium	OR	2003-04		15	15		Head of Finance
Total						60	80	200		

Internal Audit Work Programme - 2010-13

Key risks to be covered

Head of HR (JG)		Complexity (Using a Risk Assessment scale of 1-4, with 1 being the least complex)		Audit Type	Date last audited	2010-11 Days Est	2011-12 Days Est	2012-13 Days Est	TOTAL Days 2010-2013 Est	Fieldwork	Business Owner	He
Recruitment (process)	a) Delays in appointing staff - disruption to service delivery b) Non compliance with employment legislation C) CRB failure	2	High	SR	2008-09			0	0		HR	
Absence Management	a) Council's sickness policy not being adhered to b) Inaccurate information for performance management	2	High	SR	2008-09			0	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	1	Medium	SR	2007-08		15	15	15		HR	
Corporate Training	a) failure to develop staff /inform staff of corporate policies and procedures	1	Medium	SR	2003-04	15		15	15		HR	
Total						15	0	15	30			

Internal Audit Work Programme - 2010-13

Key risks to be covered

Head of Legal and Electoral Services (JG)		He							
Registrars Service	Complexity (Using a Risk Assessment scale of 1-4, with 1 being the least complex)	Audit Type	Date last audited	2010-11 Days Est	2011-12 Days Est	2012-13 Days Est	TOTAL Days 2010-2013 Est	Fieldwork	Business Owner
a) Ineffective budgetary control, b) Insufficient control of income, c) Insufficient control of assets, d) Inappropriate expenditure	2	OR	2005-06	10			10		Legal & Electoral
a) Ineffective budgetary control	2	OR	2003-04	15			15		Legal & Electoral
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	2	OR	2004-05		10		10		Legal & Electoral
a) Non compliance with legislation, b) Inappropriate entries on register, c) Incorrect payments/expenditure/charges	2	OR	2005-06		10		10		Legal & Electoral
a) Non compliance with legislation b) Income collection not effective	2	OR	2007-08				0		Legal & Electoral
a) Non-compliance with Contract rules of Procedure b) Non compliance with EU legislation c) Corruption	3	ACW	2004-05			15	15		Legal & Electoral
a) Non-compliance with Contract rules of Procedure b) Contract spec not met c) Contract costs exceeded	3	SR	2007-08		20		20		Legal & Electoral
total				25	30	25	80		

Internal Audit Work Programme - 2010-13

Key risks to be covered

Head of Policy and Communication (SC)		Complexity (Using a scale of 1-4, with 1 being the least complex)	Risk Assessment Category	Audit Type	Date last audited	2010-11 Days Est	2011-12 Days Est	2012-13 Days Est	TOTAL Days 2010-2013 Est	Fieldwork	Business Owner
LAA/PSA2	a) Targets not achieved b) Governance framework not in place c) ineffective communication between parties	3	Medium	SR	2008-09		20	20	20		Policy and Communication
Service Planning/targets and performance management	a) Processes for recording/monitoring externally set performance indicators / linkages to Timesford	4	Medium	SR	Not audited	25			25		Policy and Communication
Data Quality	indicators are not robust resulting in accurate data being reported/non-compliance with external requirements	4	High		Not audited	20			20		Policy and Communication
Grants (inc Economic Development)	Recession / Downturn in economy	2	Low	SR	2006-07		15	15	15		Policy and Communication
Members expenses	a) Inappropriate payments, b) Over payments on budgets, c) Non compliance with legislation/policies	1	High	OR	2009/10				0		Policy and Communication
Complaints / Code of Conduct	a) Ineffective policies and processes in place, b) Non compliance with policies/processes	3	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	3	High	SR	2006-07	20			20		Policy and Communication
Scrutiny	a) Ineffective Scrutiny	2	Medium	SR	Not audited				0		Policy and Communication
Intranet/Internet/Communication/Publications	a) Ineffective processes and procedures, b) Inappropriate information published - version control.	2	Medium	SR	Not audited	15			15		Policy and Communication
Civil Contingencies	a) Contingency arrangements not in place/not effective - impact on ability to provide services b) Lack of compliance with legislation	2	Medium	SR	2003-04		15		15		Policy and Communication
total						60	35	35	130		

He

Internal Audit Work Programme - 2010-13

Key risks to be covered

Head of Benefits and Exchequer (JG)		Complexity (Using a Risk Assessment scale of 1-4, with 1 being the least complex)	Audit Category	Audit Type	Date last audited	2010-11 Days Est	2011-12 Days Est	2012-13 Days Est	TOTAL Days 2010-2013 Est	Fieldwork Date	Business Owner
F	Payroll / PAYE (managed audit)	3	High	KFS	2009-10	15	15	15	45		Benefits and Exchequer
F	Accounts Payable (managed audit)	2	High	KFS	2009-10	15	15	15	45		Benefits and Exchequer
F	Accounts Receivable (managed audit)	2	High	KFS	2009-10	15	15	15	45		Benefits and Exchequer
	Car Loans & Car Leasing	2	Low	OR	pre 2001			15	15		Benefits and Exchequer
	Cash Office	2	Medium	AFW	2006-07		10		10		Benefits and Exchequer
F	National Non-domestic Rates (managed audit)	3	High	KFS	2009-10	15	15	15	45		Benefits and Exchequer
F	Housing Benefits (managed audit)	3	High	KFS	2009-10	15	15	15	45		Benefits and Exchequer
F	Council Tax (managed audit)	3	High	KFS	2009-10	15	15	15	45		Benefits and Exchequer
Total						90	100	105	295		

Internal Audit Work Programme - 2010-13

Key risks to be covered

Head of I.T. (JG)

Hk

	Complexity (Using a scale of 1-4, with 1 being the least complex)	Risk Assessment Category	Audit Type	Date last audited	2010-11 Days Est	2011-12 Days Est	2012-13 Days Est	TOTAL Days 2010-2013 Est	Fieldwork	Business Owner
I.T. Strategy	3	low	SR	2007-08			0	0	ICT	
Software licenses	2	Low	OR	2003-04			0	0	ICT	
Change control Management	3	Medium	OR	2005-06	15		15	15	ICT	
Project Management (IT investment)	3	High	SR	2006-07		20	20	20	ICT	
Post Implementation Reviews (IT investment)	3	High	SR	2004-05			0	0	ICT	
Ensure continuous service	3	High	SR	2002-03		15	15	15	ICT	
Compliance with CoCo	4	High	SR	Not audited	20		20	20	ICT	
Ensure systems security	3	High	SR	2008-09		20	20	20	ICT	
Manage problems and incidents (help desk)	3	High	OR	2004-05		15	15	15	ICT	
Manage data (File controls)	3	Medium	OR	2004-05			0	0	ICT	
EDI	3	Medium	OR	Not audited	15		15	15	ICT	
Print Unit	2	Low	OR	Pre 2001		15	15	15	ICT	
Business Continuity Planning	3	High	SR	2007-08			20	20	ICT	
I.T. Asset Management	3	Medium	OR	2007-08			15	15	ICT	
total					35	60	75	170		

Internal Audit Work Programme - 2010-13

Key risks to be covered

Complexity (Using a Risk Assessment scale of 1-4, with 1 being the least complex)

Head of Special Projects (SC)	Audit Category	Audit Type	Date last audited	2010-11 Days Est	2011-12 Days Est	2012-13 Days Est	TOTAL Days 2010-2013 Est	Fieldwork	Business Owner	Hk
St Barfs	a) Poor governance arrangements to c) Delays d) Poor financial control	SR	not audited	20			20		Special Projects	
Denefield	a) Poor governance arrangements to c) Delays d) Poor financial control	SR	not audited				0		Special Projects	
Brookfields	a) Poor governance arrangements to c) Delays d) Poor financial control	SR	not audited				0		Special Projects	
London Rd	a) Poor governance arrangements to c) Delays d) Poor financial control	SR	not audited				0		Special Projects	
total				20	0	0	20			

Internal Audit Work Programme - 2010-13

Key risks to be covered

Head of Adult Services (JG)

He

		Complexity (Using a Risk Assessment scale of 1-4, with 1 being the least complex)	Risk Assessment Category	Audit Type	Date last audited	2010-11 Days Est	2011-12 Days Est	2012-13 Days Est	TOTAL Days 2010-2013 Est	Fieldwork	Business Owner
Agency Staff	a) Inappropriate people could be appointed - risk to client b) Budgets could be exceeded c) Standards of service required not met	2	High	OR	2009-10		15	15	15		Adult Services
Assessment of Needs/Purchase of Care - (MH/LD)	a) Legislation is not adhered to b) Inappropriate care packages c) Budgets could be overspent	3	Medium	OR	2008-9			0	0		Adult Services
Assessment/Purchase of Care - Respite	a) Legislation is not adhered to b) Inappropriate care packages c) Budgets could be overspent	3	Medium	OR	Not audited		15	15	15		Adult Services
Day centres (3)	Establishment reviews - key risks - budgetary control/appropriateness of expenditure	1	Low	OR	2006-07			0	0		Adult Services
Carers grant	a) Budgetary control b) effectiveness of arrangement not monitored	2	High		2009-10			0	0		Adult Services
Direct Payments	a) Non compliance with legislation b) Inaccurate payments c) Inappropriate use of bank account d) Clients needs not met	2	Medium	OR	2004-05	20		20	20		Adult Services
Residential Homes - Elderly (4)	Establishment review - key risks - budgetary control/appropriateness of expenditure	1	Low	OR	2006-07	6		6	6		Adult Services
Assessment of needs/Purchase of care - Home Care	a) Legislation is not adhered to b) Inappropriate care packages c) Budgets could be overspent	3	Medium	OR	2006-07		20	20	20		Adult Services
Day care centres (5)	Establishment reviews - key risks - budgetary control/appropriateness	1	Low	OR	2005-06	3		3	3		Adult Services
Assessment/Purchase of Care - Residential	a) Legislation is not adhered to b) Inappropriate care packages c) Budgets could be overspent	3	Medium	OR	2001-02		15	15	15		Adult Services
O/T - Equipment - pooled budget	a) Ineffective governance/communication between parties b) Effectiveness of arrangement not monitored - objectives not achieved/budgets exceeded	2	Medium	OR	Not audited		15	15	15		Adult Services
Community Care Service Transformation Programme:- RAISE/Personal Budgets	a) Legislation is not adhered to b) Inappropriate care packages c) Budgets could be overspent	4	High	ADV	2008-09	15		15	15		Adult Services
Demography (impact of free home care)	a) Poor medium term planning b) budget pressures c) service cuts	3	High	OR	Not audited	15		15	15		Adult Services
total						59	50	30	139		

Internal Audit Work Programme - 2010-13

Key risks to be covered

Head of Housing and Performance (JG)		Complexity (Using a Risk Assessment scale of 1-4, with 1 being the least complex)		Audit Type	Date last audited	2010-11 Days Est	2011-12 Days Est	2012-13 Days Est	TOTAL Days 2010-2013 Est	Fieldwork	Business Owner
Fairer Charging Policy	a) Non compliance with legislation/Councils policy b) Inaccurate charges calculated c) Ineffective income collection/recovery procedures	3	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	2	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	2	Medium	OR	2001-02		10		10		Housing and Performance
Contract Letting/Management (Care)	a) Value for money not obtained when choosing external providers b) Care provision not formalised/not monitored - escalation of costs/ care standards not met b) Service unaware of number/value of contracts administered	3	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	2	Medium	OR	Not audited	15			15		Housing and Performance
Homelessness	a) Legislation not adhered to b) Accommodation is not obtained promptly/cost effectively	2	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	2	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	3	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	4	Medium	OR	2004-05	15			15		Housing and Performance
RAISE	a) poor application controls b) poor interface with Agresso c) inappropriate authorisation of payments	4	High	OR	Not audited		20		20		Housing and Performance
Total						65	70	35	170		

He

Internal Audit Work Programme - 2010-13

Key risks to be covered

Head of Cultural Services (JG)		Complexity (Using a Risk Assessment scale of 1-4, with 1 being the least complex)				Date last audited			2010-11 Days Est	2011-12 Days Est	2012-13 Days Est	TOTAL Days 2010-2013 Est	Fieldwork	Business Owner
			Risk Assessment Category	Audit Type										He
Leisure Centre Management	a) Non compliance with legislation, b) Ineffective contract monitoring and management	3	High	ADV	2009-10	20					20	20		Cultural Services
Museums (1)	Review of key risks: Budgetary control, control of assets & cash, appropriate expenditure.	1	Low	OR	2004-05	5					5	5		Cultural Services
Archaeology	a) Non compliance with legislation and government guidelines, b) Ineffective communication between services	2	Low	OR	2003-04							0		Cultural Services
Tourist Information Centre	Review of key risks: Budgetary control, control of assets & cash, appropriate expenditure.	1	Low	OR	2004-05	5						5		Cultural Services
Libraries Internet use	a) Inappropriate websites accessed - reputational damage/Council could be fined/complaints made from public	3	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	3	Medium	OR	2008-09							0		Cultural Services
Libraries Income	a) Loss of stock is not reimbursed, resulting in additional expenditure b) Income collection not maximised	3	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	3	Medium	OR	2008-09							0		Cultural Services
Archive		2			2007-08							0		Cultural Services
total						25				5	20	50		Cultural Services

Internal Audit Work Programme - 2010-13

Key risks to be covered

Head of Property and Public Protection (SC)

He

		Complexity (Using a Risk Assessment scale of 1-4, with 1 being the least complex)	Risk Assessment Category	Audit Type	Date last audited	2010-11 Days Est	2011-12 Days Est	2012-13 Days Est	TOTAL Days 2010-2013 Est	Fieldwork 2010- Date	Business Owner
Commercial Rents	a) Non compliance with legislation, b) Loss of income/increased void periods, c) Misappropriation of leases	3	High	OR	2008-09		20	20	20		Property & Public Protection
Asset management	b) Non compliance with legislation, b) Mis mgt of asset portfolio	2	Medium	SR	2005-06	15		15	15		Property & Public Protection
Building Maintenance	a) Ineffective maintenance programme, b) Non compliance with legislation (internal, EU tendering policies)	3	High	OR	2008-09		20	20	20		Property & Public Protection
Facilities Management	a) Poorly maintained facilities, compromised H&S, b) Theft of stock items, c) Ineffective out of hours service	3	Medium	OR	2003-04	20			20		Property & Public Protection
Project Management	a) Failure to deliver major projects on budget, timely manner, to meet need of clients, b) Non compliance with legislation	4	High	SR	not audited	20			20		Property & Public Protection
Clean and Green agenda	a) Failure to deliver change b) failure to deliver cost savings	4	Medium	SR	not audited		15		15		Property & Public Protection
Waste Management and disposal PFI	a) Poor waste minimisation b) Low levels of Recycling	4	High	SR	2009-10				0		Property & Public Protection
Service requests for intervention	a) Non compliance with Legislation b) Customer complaints	2	Low	OR	2002-03				0		Property & Public Protection
Health and Safety	a) Non compliance with Legislation b) Service targets not achieved	2	Low	OR	2002-03				0		Property & Public Protection
Food Safety and Standards	a) Non compliance with Legislation b) Service targets not achieved	2	Low	OR	2002-03				0		Property & Public Protection
Licensing Reform Income	a) Non compliance with Legislation b) Ineffective income collection	2	High	OR	2005-06	15			15		Property & Public Protection
Taxi licensing	a) Inappropriate granting of licenses b) Ineffective income collection	2	Medium	OR	2008-09				0		Property & Public Protection
Purchase/Disposal of samples	a) Inappropriate expenditure incurred b) Non compliance with disposal procedures	2	Medium	OR	2002-03				0		Property & Public Protection
Service requests for intervention	a) Non compliance with Legislation b) Customer complaints	2	Low	OR	2002-03		15		15		Property & Public Protection
ISO 9000 (TS)	a) Non compliance with quality standard defined procedures	2	Low	ADV	2009-10				0		Property & Public Protection
total						20	65	55	140		

Internal Audit Work Programme - 2010-13

Key risks to be covered

Head of Highways and Transport (SC)		Complexity (Using a Risk Assessment scale of 1-4, with 1 being the least complex)	Risk Assessment Category	Audit Type	Date last audited	2010-11 Days Est	2011-12 Days Est	2012-13 Days Est	TOTAL Days 2010-2013 Est	Fieldwork	Business Owner
Structural Maintenance / Engineering	a) Non compliance with legislation, b) Ineffective maintenance programme	3	Medium	OR	Not audited		15		15	Highways and Transport	He
Traffic Management	a) Projects/schemes targets not met, b) Non compliance with internal policies, plans	3	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	2	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	3	High	OR	2007-08?				0	Highways and Transport	
Electrical (including Street Lighting)		2	Low	OR	Not audited				0	Highways and Transport	
Street Naming/numbering	a) Income not maximised, b) Misappropriation of funds	2	Low	OR	2004-05		10		10	Highways and Transport	
Concessionary Fares / Bus Passes	a) Fraud/theft, b) Non compliance with regulations	2	Medium	OR	2004-05	15			15	Highways and Transport	
Car Parks	a) Non compliance with legislation, b) Loss of income c) Fraud/theft	3	High	OR	2007-08		20		20	Highways and Transport	
Fleet Management	a) Use of vehicles b) contracts for non fleet transport	3	High	OR		20			20	Highways and Transport	
total						70	45	0	115		

Internal Audit Work Programme - 2010-13

Key risks to be covered

Head of Planning and Countryside (JG)		Complexity (Using a Risk Assessment scale of 1-4, with 1 being the least complex)	Audit Category	Audit Type	Date last audited	2010-11 Days Est	2011-12 Days Est	2012-13 Days Est	TOTAL Days 2010-2013 Est	Fieldwork	Business Owner
Enforcement	a) Planning Legislation is not adhered to b) Management information is not up-to-date/accurate	2	Low	OR	2004-05	15			15		Planning and Countryside
Development Control	a) Planning Legislation is not adhered to b) Government targets are not met c) Corruption d) Income is not maximised	2	High	AFW	2006-07		20		20		Planning and Countryside
Developer contributions	a) Planning Legislation is not adhered to b) Corruption c) Income is not maximised	4	High	AFW	2007-08		20		20		Planning and Countryside
Building Control (ISO 9000 Accreditation)	a) Planning legislation is not adhered to b) Income is not maximised	2	high	OR	2009-10				0		Planning and Countryside
Transport Strategy	a) Government requirements are not met b) Ineffective monitoring/measurement of targets - objectives not achieved	3	Low	SR	2007-08				0		Planning and Countryside
Nature Discovery Centre	Establishment review - key risks - income not maximised/expenditure not being effectively managed	1	Low	OR	2005-06			6	6		Planning and Countryside
Grounds Maintenance Con.	a) Contract specification is not met b) Inappropriate/inaccurate payments could be made	2	Low	OR	2002-03	15			15		Planning and Countryside
total						30	20	26	76		

He

Internal Audit Work Programme - 2010-13

Key risks to be covered

Head of Education (SC)	Complexity (Using a Risk Assessment scale of 1-4, with 1 being the least complex)	Audit Category	Audit Type	Date last audited	2010-11 Days Est	2011-12 Days Est	2012-13 Days Est	TOTAL Days 2010-2013 Est	Fieldwork Date	Business Owner
Education Psychologist Service	2	Medium	OR	Not audited	10			10		Education
a) Non compliance with legislation, b) Inappropriate/insufficient assessments of need undertaken/produced.										
Secondary Schools (10)	2		S		22	4	64	90		Education
Review of key risks - budgetary control, income collection, control of assets, school governance										
Primary Schools (68)	1		S		101	159	50	310		Education
Review of key risks - budgetary control, income collection, control of assets, school governance										
Nursery Schools (2)	1		S		10	0	0	10		Education
Review key risks: Compliance with legislation, accurate completion of grant claims										
Special Schools (2)	1		S		16	4	0	20		Education
Review key risks: Compliance with legislation, budgetary control, control of assets,										
Formula funding / DSG	2	High	OR	2009/10				0		Education
a) Non compliance with legislation, b) Ineffective budget builds										
PLASC (80 schools)	1	High	S	2005/06			10	10		Education
a) Submission of incorrect returns, b) Inaccurate funding										
Family Support Packages for Disabled Children (to include short breaks)	3	High	OR	2009/10				0		Education
a) Non compliance with legislation, b) Inappropriate packages, c) Overspends on budgets										
Special Needs Recruitment	2	Low	OR	Not audited			15	15		Education
a) Incorrect payments/collections, b) Entitlements not identified/obtained, c) Non compliance with legislation/standards										
School admissions policy	2	High	OR	2009/10				0		Education
a) Non compliance with legislation, b) Unsuitable school offers, c) Invalid admissions data										
Home to School Transport Entitlement	2	Low	OR	2008-09				0		Education
a) Employment of inappropriate individuals, b) Misallocation of free transport,										
Child Protection in Schools	2	High	OR	2008-09				0		Education
a) Non compliance with legislation, b) Schools are not adequately supported/trained by WBC										
Central Administration - Childcare Grant	3	Medium	OR	2004-06			10	10		Education
a) Non compliance with legislation b) Inappropriate payments and awards, c) Insufficient documentary evidence										
Nursery Provision - central review	1	High	OR	2007-08	10			10		Education
Review key risks: Compliance with legislation, accurate completion of grant claims										
Extended Schools / After Schools Clubs	3	Medium	OR	2007-08		15		15		Education
a) Non compliance with government targets/legislation, b) Misuse of grant funds, c) Activities are not effectively monitored										
Special Needs Assessment & Statementing	3	Medium	OR	Not audited				10		Education
a) Non compliance with legislation, b) Incorrect assessments,										
Home Tuition	2	Low	OR	Not audited		10		10		Education
a) Non compliance with legislation/standards, b) Service does not meet requirements of users.										
Resource Units (7)	1	High	OR	Not audited		10		10		Education
Review key risks: Compliance with legislation, budgetary control, control of assets,										
Adult Education	2	Low	OR	Not audited		10		10		Education
a) Non compliance with legislation, b) Non achievement of targets and standards, c) Overspends on budgets										
Alternative Curriculum	1	Low	OR	Not audited		10		10		Education
Review of the Porch, Badgers Hill and Brideway PRU's										
Reintegration Service	1	Low	OR	Not audited			10	10		Education
Review of the Key, The Oaks and Kingfisher PRU's										

Internal Audit Work Programme - 2010-13

Key risks to be covered

a) Non compliance with legislation/guidance, b) Inaccurate/inappropriate claims/payments.

Facilities grant	Complexity (Using a Risk Assessment scale of 1-4, with 1 being the least complex)	Audit Category	Audit Type	Date last audited	2010-11 Days Est	2011-12 Days Est	2012-13 Days Est	TOTAL Days 2010-2013 Est	Fieldwork	Business Owner
	1	Medium	OR	2008-09		10	10	10		Education

total

169 242 159 570

Internal Audit Work Programme - 2010-13

Key risks to be covered

Head of Children's Services (SC)		Complexity (Using a scale of 1-4, with 1 being the least complex)	Risk Assessment Category	Audit Type	Date last audited	2010-11 Days Est	2011-12 Days Est	2012-13 Days Est	TOTAL Days 2010-2013 Est	Fieldwork	Business Owner
Castlegate	Review of key risks: Budgetary control, control of assets & cash, appropriate expenditure.	1	High	OR	2009/10				0		Children's Services
Assessment of Need/Review process	a) Non compliance with legislation/standards, b) Inaccurate assessments, monitoring of assessments and referrals	3	Medium	OR	2005-06	20			20		Children's Services
Purchasing Care - Residential	a) Non compliance with legislation, b) Inappropriate packages, c) Overspends on budgets	3	High	OR	2008-09		15		15		Children's Services
Assessment & collection of contributions Foster Care	a) Non compliance with legislation, b) Incorrect assessments, c) a) Non compliance with legislation/standards, b) Unsuitable placements, c) Incorrect payments	3	Medium	OR	2002-03	15			15		Children's Services
Foster Care Recruitment	a) Non compliance with legislation, b) Ineffective training/strategies in place, c) Inappropriate people recruited, d) Insufficient staffing levels	3	Medium	OR	2008-09		10		10		Children's Services
Adoption - Recruitment, Assessment, Training	a) Non compliance with legislation, b) Ineffective training/strategies in place, c) Inappropriate people recruited, d) Insufficient staffing levels	2	Low	OR	Not audited		20		20		Children's Services
Payment of Carers	a) Non compliance with legislation, b) Incorrect payments, c) Overspends on budget	2	Medium	OR	2007-08	10			10		Children's Services
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.	3	Medium	OR	2004-05	15			15		Children's Services
Agency Staff	a) Non compliance with legislation, b) Inappropriate people recruited	2	Medium	OR	2008-09		10		10		Children's Services
York House - Family Resource Team	Review of key risks: Budgetary control, control of assets & cash, appropriate expenditure.	1	LOW	OR	2004-05	5			5		Children's Services
total						20	65	35	120		
Head of Youth Services and Commissioning (SC)											
RAISE	a) poor application controls b) poor interface with agresso c) inappropriate authorisation of payments	4	High	OR	Not audited	15			15		Youth Services & Commissioning
Contact Point	a) Failure to comply with 28 key criteria b) Loss of access to database.	2	High	OR	2009/10	15	15		45		Youth Services & Commissioning
Pooled budget Child & Adolescent mental health (section 37 contract)	a) Effectiveness of arrangements & monitoring, b) Achievement of targets and objectives, c) Ineffective communication between parties	3	Low	OR	Not audited	15			15		Youth Services & Commissioning
Child Protection Conferencing Processes	a) Inappropriate arrangements in place, b) Non adherence to guidance, legislation.	2	Medium	OR	Not audited	10			10		Youth Services & Commissioning
Use of Family Support Worker Funding in secondary schools	a) Misutilisation of designated funding by secondary schools	2	Low	OR	Not audited		10		10		Youth Services & Commissioning
Utilisation of Extended Schools Funding in Schools	a) Misutilisation of designated funding by secondary schools	2	Low	OR	Not audited	10			10		Youth Services & Commissioning
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	3	Medium	OR	2007-08	15		15	30		Youth Services & Commissioning
Youth Services (6)	Review of key risks: Budgetary control, control of assets & cash, appropriate expenditure.	1	Medium	OR	2008-09	5			5		Youth Services & Commissioning
Area Teams (2 teams - Youth Services)	Review of key risks: Budgetary control, control of assets & cash, appropriate expenditure.	1	Low	OR			5		5		Youth Services & Commissioning
Adventure Dolphin & Outdoor Youth Activity	Review of key risks: Budgetary control, control of assets & cash, appropriate expenditure.	1	Low	OR	2008-09				0		Youth Services & Commissioning
Offsite Activities	a) Non compliance with legislation, b) Non achievement of council targets/standards, c) Inappropriate activities undertaken	1	Medium	OR	2005-06	15			15		Youth Services & Commissioning
total						60	70	30	160		

Internal Audit Work Programme - 2010-13

Key risks to be covered

Complexity (Using a Risk Assessment scale of 1-4, with 1 being the least complex)

Audit Category	Audit Type	Date last audited	2010-11 Days Est	2011-12 Days Est	2012-13 Days Est	TOTAL Days 2010-2013 Est	Fieldwork Date	Business Owner
----------------	------------	-------------------	------------------	------------------	------------------	--------------------------	----------------	----------------

Internal Audit Work Programme - 2010-13

Key risks to be covered

Complexity (Using a Risk Assessment scale of 1-4, with 1 being the least complex)

Audit Type Category Date last audited 2010-11 Days Est 2011-12 Days Est 2012-13 Days Est TOTAL Days 2010-2013 Est Business Owner

Other Chargeable work (non service specific)

Preparation of the audit plan
 Monitoring the audit plan
 Liaison with Portfolio Members
 Governance and Audit Committee updates
 Annual Governance Statement
 Audit Follow-ups
 Audit Advice
 School advice
 External Professional Liaison

	2010-11 Days Est	2011-12 Days Est	2012-13 Days Est	TOTAL Days 2010-2013 Est	Audit Type - key
	10	10	10	30	
	15	15	15	45	
	10	10	10	30	
	8	8	8	24	SR Strategic Risk
	10	10	10	30	KFS Key Financial System
	100	100	100	300	AFW Anti Fraud Work
	20	20	20	60	ACW Anti Corruption Work
	20	20	20	60	VFM Value for Money
	5	5	5	15	OR Operational Risk
	198	198	198	594	Sch Schools
	110	135	135	380	ADV Advisory Audit
	110	135	135	380	

Total
Contingencies
Total

Planned Audit Days total

1,251 1,320 1,118 3,689



This page is intentionally left blank

Appendix C – Extract from the SRR, High Gross low Net Risk

No	Risk	Cause / Trigger	Consequences	Gross Rating			Net Rating			Change since last review	Owner
				Likely-hood	Impact	Score	Likely-hood	Impact	Score		
1.11	Risk of severe weather - drought / flooding	Building on flood plain Severe weather Defective drainage Drought Heatwave	Significant disruption to Council Services and the Community. Fatalities / injuries Reputation Impact of heat on elderly	3	4	12	2	3	6	No Change	Heads of Countryside & Environment and Highways & Transport. + Cllrs Hilary Cole, Alan Law and David Betts
2.4	Risk of ineffective budget monitoring and reporting	Overspending Income targets not being met Poor budgetary control Inaccurate / Inadequate data	Lack of resources impacting on service delivery Major reputational damage	3	3	9	2	2	4	No Change	Head of Finance + Cllr Keith Chopping
2.5	Risk of Tax Base not rising	Recessionary impact on housebuilding	Reduced income - potentially higher Council Tax	3	3	9	3	2	6	No Change	Head of Finance + Cllr Keith Chopping

Appendix C – Extract from the SRR, High Gross low Net Risk

No	Risk	Cause / Trigger	Consequences	Gross Rating			Net Rating			Owner	
				Likely-hood	Impact	Score	Likely-hood	Impact	Score		Change since last review
2.6	Risk to the delivery of the Capital Programme	Unrealistic timescales Poor budgeting and profiling Poor project planning	Projects not completed on time or to specification Overspend leading to reductions in other projects Major reputational damage	3	3	9	2	2	4	No Change	Head of Finance + Cllr Keith Chopping
2.10	Increased interest rates	Changing global or national economic conditions Bank of England	Potential reduced level of capital funding	3	3	9			6	No Change	Corp Board + Head of Finance + Cllr Keith Chopping Cllr Alan Law
2.12	A risk of death or injury to staff	Lack of appropriate risk assessments / supervision	Fatality / injury Financial / Insurance claims Major reputational damage	3	4	12	2	3	6	No Change	Chief Executive + Head of HR + Cllr Anthony Stansfeld
2.18	A risk of a loss of confidential information	Loss / Theft of ICT equipment containing data; Unauthorised access to ICT equipment; Loss/theft of WBC paper documents; Malicious hacking; Inadvertent disclosures; Social	Reputational damage Legal Action Costs Litigation	4	3	12	3	2	6	Reduced	Head of ICT + Cllr David Betts

Appendix C – Extract from the SRR, High Gross low Net Risk

No	Risk	Cause / Trigger	Consequences	Gross Rating			Net Rating			Owner	
				Likely-hood	Impact	Score	Likely-hood	Impact	Score		Change since last review
		engineering; etc									
3.9	Risk of outbreak of Legionella	Failure to manage and test water systems Failure to undertake regular surveys	Injury / death Civil action Insurance / financial losses Major reputational damage Potential corporate manslaughter charges Enforcement action / prosecution by HSE	3	4	12	2	3	6	Reduced	Chief Executive + Head of Property + Cllr Anthony Stansfeld
3.10	Risk of exposure of staff or clients to asbestos	Failure to undertake regular surveys Failure to manage works on sites containing asbestos	Injury / death Civil action Insurance / financial losses Major reputational damage Potential corporate manslaughter charges Enforcement action / prosecution by HSE	3	4	12	2	3	6	Reduced	Head of Property + Cllr Anthony Stansfeld
4.4	Risk of breach in data security	Hacking / virus attack on Council's computer systems	Service delivery failure Data protection failure Major reputational damage	4	3	12	2	2	6	No Change	Head of ICT + Cllr David Betts
5.3	Risk of increasing numbers of poorly performing schools	Poor leadership within schools Inadequate teaching	Poor quality education. Intervention Reputational damage	3	3	12		2	6	New Risk	Corp Dir (CYP) + Cllr Barbara Alexander

Appendix C – Extract from the SRR, High Gross low Net Risk

No	Risk	Cause / Trigger	Consequences	Gross Rating			Controls	Net Rating			Owner	
				Likely-hood	Impact	Score		Likely-hood	Impact	Score		Change since last review
6.6	Brookfields and Denefield redevelopment	Failure to deliver 1. Budget 2. Project Planning 3. Continued Operation of schools	Major reputational damage School disruption Financial loss	3	4	12	Effective governance arrangements Effective monitoring of cost / variations	2	2	6	Corp Dir C&YP + Clr Barbara Alexander	New Risk
6.7	St Barts School rebuild	Failure to deliver 1. Budget 2. Project Planning 3. Continued Operation of schools	Major reputational damage School disruption Financial loss	3	4	12	Effective governance arrangements Effective monitoring of cost / variations	2	3	6	Corp Dir C&YP + Clr Barbara Alexander Head teacher + St Barts Foundation Trust	No Change

INTERNAL AUDIT REPORTING PROTOCOL

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

INTERNAL AUDIT REPORTING PROTOCOL

recommendations, of the report before it is finalised. Where a 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

INTERNAL AUDIT REPORTING PROTOCOL

		within two weeks otherwise this will be reported to the Corporate Board
--	--	---

	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

INTERNAL AUDIT REPORTING PROTOCOL

provided by Internal Audit to the Committee and written comments will also be sought from the Head of Service.

6. Role of Portfolio Holders in the audit process

- 6.1 Portfolio Holders are involved in the audit process at their discretion and to the extent that they choose.
- 6.2 Portfolio Holders can choose to vary the extent of their involvement at any time. In addition if they wish they can vary their involvement on an audit by audit basis, by informing the relevant Group Auditor.
- 6.3 The role of the Portfolio Holder in the audit process is to:
 - Feed in any issues of concern at the start of the audit so that these can be considered by the Group Auditor in scoping the review.
 - Support the relevant Head of Service in considering weaknesses identified during the audit and action plans proposed by the Group Auditor at the conclusion of the audit
 - Support the Head of Service in implementing agreed action plans
- 6.4 The Group Auditor is responsible to the Assurance Manager for managing the audit in compliance with the CIPFA Code of Practice for Internal Audit. Responsibility for the content of the resulting audit report will remain with the relevant Group Auditor and the Assurance Manager.
- 6.5 The Head of Finance as s151 Officer has overall responsibility for ensuring that the Internal Audit service complies with the CIPFA Code of Practice for Internal Audit

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	For his service areas		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

Client	Terms of reference	Rough Draft Report	Formal Draft Report	Final Report	Follow-up details
Relevant Portfolio Member and the Portfolio Member for Finance (in all cases) (Include the two Councillors that are Shadowing the Finance Portfolio holder)	All cases		The Assurance Manager will decide on the necessity to issue a report at this level.	All reports	All Cases
Assurance Manager	All cases		All cases	All cases	All Cases

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 issued			All cases
Assurance Manager	None issued		All Cases	All cases

Agenda Item 9

Title of Report:	Protocol for Members on Outside Bodies
Report to be considered by:	Council
Date of Meeting:	11 May 2010
Forward Plan Ref:	C1992

Purpose of Report: To seek agreement for a Protocol for Members appointed to represent the Council on Outside Bodies.

Recommended Action: To consider and where appropriate amend the Protocol for Members on Outside Bodies which will be included as an Appendix to the Codes and Protocols section of the West Berkshire Council Constitution.

Reason for decision to be taken: To comply with the relevant legislation and to provide guidance as to the roles, experience and responsibilities as well as the liabilities those Members may attract in connection with their involvement with outside bodies.

Other options considered: None
Key background documentation: West Berkshire Council's Code of Conduct for Members
The National Code of Conduct for Members
1995 Local Authorities (Companies) Order
Local Authorities (Indemnity for Members and Officers) Order 2004
Local Government Act 1972

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

- CPT14 - Effective People**
- CPT15 - Putting Customers First**

The proposals contained in this report will help to achieve the above Council Plan Priorities and Themes by:
Ensuring that Members are aware of the issues that they need to consider prior to being appointed on outside bodies.

Portfolio Member Details	
Name & Telephone No.:	Councillor Graham Jones (01235) 762744
E-mail Address:	gjones@westberks.gov.uk
Date Portfolio Member agreed report:	07/04/2010

Contact Officer Details	
Name:	David Holling/ Moira Fraser
Job Title:	Head of Legal and Electoral Services/Democratic Services Manager
Tel. No.:	01635 519422/ 01635 519045
E-mail Address:	dholling@westberks.gov.uk / mfraser@westberks.gov.uk

Implications

- Policy:** This Protocol will need to be added to the Codes and Protocols section of the Constitution should Members be minded to agree this Protocol.
- Financial:** Payments to Members attending outside body meetings will continue to be met from within the existing budget as appropriate.
- Personnel:** There will not be any personnel implications for the Council, management of this process will continue to be undertaken from within existing resources.
- Legal/Procurement:** This Protocol will need to be added to the Codes and Protocols section of the Constitution should Members be minded to agree this Protocol.
- Property:** None
- Risk Management:** The Council already has Officials Indemnity insurance cover in place which covers Members on outside bodies.
- Equalities Impact Assessment:** EIA Stage 1 form completed - minor amendments made to report but no expectation of differential treatment on equality grounds.

Corporate Board's View:

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 and Report

1. Introduction

- 1.1 The Council has appointed representatives to outside bodies for a long time. These bodies have diverse and innovative arrangements in place and cover a wide spectrum of services. The majority of appointments are made every four years to coincide with the electoral cycle but a few appointments are made annually as required by the organisation. The Council currently appoints Members to 84 Outside Bodies.
- 1.2 All appointments need to be appropriate to the authority, the area and the specific objectives and purposes it is designed to support at the time. The number of outside bodies West Berkshire Council appoints representatives to was reviewed before the last local election and it is anticipated that a further review will take place in advance of the 2011 elections.
- 1.3 There are many reasons why the Council may wish to become involved with these outside bodies including:
 - Acting as a two way conduit between external bodies and the Council;
 - Helping to lever in external finance which would not otherwise be available to the Council;
 - Being able to share skills, knowledge and expertise in order to improve service delivery;
 - Being able to supplement the Council's functions and contribute towards delivering the aims and objectives of the Corporate Plan and the Sustainable Community Strategy;
 - Adding value by providing support which would not otherwise be available;
 - Protecting the Council's investment or assets i.e. if the Council has provided grant funding or provides funding for service delivery;
 - Providing local accountability or democratic legitimacy through the appointment of an elected representative;
 - Ensuring a good working relationship is maintained with the body.
 - Developing the elected Members' experience of representing the Council as a partner in the wider community;
 - Contributing to the continuing development of Members' individual interests.

2. Proposals

- 2.1 The Protocol contained in the Appendix is designed to provide guidance as to the roles, experience, opportunities and responsibilities as well as the liabilities that Members may attract in connection with their involvement with these organisations. Councils are increasingly working in partnership with external organisations. This means that it is important that everyone is clear exactly what the role of Councillors appointed to these bodies is. Questions of accountability and governance are likely to arise particularly as more funding may be channelled through the Council to these outside bodies.
- 2.2 The Protocol, if approved, will form part of the Council Constitution (Appendix to the Codes and Protocols).

3. Conclusion

3.1 Council is asked to consider and where appropriate amend the Protocol.

Appendices

Appendix A - Protocol for Council Representation on Outside Bodies

Appendix B – Outside Bodies Feedback Form

Appendix C – Current list of Outside Bodies and Members appointed to them

Consultees

Local Stakeholders: Not consulted

Officers Consulted: Andy Day, Andy Walker, Mark Harris, Ian Priestley, Charles Morris, Elaine Vincent, Katharine Sheehan, Robin Steel, David Holling, Corporate Board, Management Board

Trade Union: Not consulted

Protocol for Council Representation on Outside Bodies	Reference:	*
	Version No:	*.*
	Issue Date:	*
	Classification:	*

Document Control

Document Ref:		Date Created:	
Version:	1	Date Modified:	
Revision due			
Author:	Moira Fraser	Sign & Date:	
Head of Service:	Andy Day	Sign & Date:	
Equality Impact Assessment: (EIA)	Date undertaken:	18/01/2010	
	Issues (if any):	Minor changes made to the report but there is no expectation of different treatment on equality grounds	

Change History

Version	Date	Description	Change ID
0.1			

Related Documents

Reference	Title	Tier

PROTOCOL FOR COUNCIL REPRESENTATION ON OUTSIDE BODIES

1 Introduction

- 1.1 Elected Members are appointed by West Berkshire Council to serve on a range of Outside Bodies. In the context of this Protocol, an “Outside Body” covers organisations such as Trusts, Voluntary Bodies, Charities, Community Associations and Companies etc.
- 1.2 Service on Outside Bodies has always been an established part of a Councillor’s role. A Member appointed to an external body will be able to use their knowledge and skills both as a Council Member, and as a representative of their communities, to assist the organisation to which they are appointed, as well as the Council which they represent.
- 1.3 This Protocol is designed to provide guidance as to the roles, experience and responsibilities as well as the liabilities that Members may attract in connection with their involvement with these organisations. Councils are increasingly working in partnership with external organisations. This means that it is important that everyone is clear exactly what the role of Councillors appointed to these bodies is. Questions of accountability and governance are likely to arise particularly as more funding may be channelled through the Council to these Outside Bodies
- 1.4 Membership of an Outside Body brings into play different considerations to those which relate to Council membership. As members of Outside Bodies, elected Members will have different duties, obligations and liabilities depending upon the type of organisation involved. Members’ roles on these Outside Bodies may appear to conflict, sometimes with each other, and sometimes with their position as a West Berkshire Councillor. This can be eased by giving clear guidance, which is what this document aims to do. Appendix A1 to this Protocol provides information on registering interest (paragraphs 9 and 10) and dealing with conflicts of interest (paragraph 11).
- 1.5 Depending on the legal nature of the body and the role fulfilled by the Member they may attract personal responsibility for decisions and actions of the body. It is a Members’ responsibility to ensure that they are aware of their liabilities and any insurance arrangements that are in place where they participate in Outside Bodies. Officers will strive to ensure that Members are provided with as much information as possible prior to their appointment. Paragraphs 4 and 5 of the Protocol set out the general roles and responsibilities for Members on Outside Bodies.
- 1.6 To aid Members further, this Protocol sets out the different types of bodies and responsibilities. Members with any doubts or questions should consult the Head of Legal and Electoral Services at the earliest opportunity for help and advice. More detailed information, relating to Limited Companies, Charitable Trusts, Partnerships and Unincorporated Organisations, is set out in Appendices A2, A3, A4 and A5 of the Protocol.

- 1.7 The Council will indemnify Members representing the Council on Outside Bodies in many circumstances. There are however specific statutory limitations as to the extent of indemnification the Council is able to provide. These are set out in Appendix A6 of the Protocol.
- 1.8 Members can serve on Outside Bodies in their personal capacity provided that there is no conflict of interest with their duties as a Member of West Berkshire Council. Again, legal advice is available to help Members assess their position.

2 How are Appointments made?

- 2.1 In accordance with the Council's Constitution authority to appoint Members as representatives on Outside Bodies has been delegated to the Executive. With the exception of appointments to regulatory bodies i.e. Police and Fire Authorities appointments to Outside Bodies have been further delegated to the Leader of the Council or the relevant Portfolio Holder to make as an Individual Decision. The authority to appoint School Governors has been delegated to the Head of Education Services.
- 2.2 The majority of appointments are aligned to the electoral cycle and representatives are appointed for four years. A small number of appointments, most notably those to the regulatory bodies, are made on an annual basis. The majority of the appointments are made as early in the Municipal Year as is practicably possible.
- 2.3 The choice of the most appropriate representative will depend on the nature of the Outside Body, the interests and experience of the prospective representative, and why the Council wishes to be involved with that body.
- 2.4 The Policy and Communication team are responsible for maintaining a database setting out details of the appointment and information relating to the Outside Bodies.

3 Before Accepting the Appointment

- 3.1 Before accepting the appointment Members should establish:
 - the time commitment required by the role and whether or not they have the time and capacity to take on the responsibility;
 - what the nature of the organisation is as this will affect their role and help with identifying the potential risks involved. One of the most important things is to find out if the organisation is a separate legal organisation (i.e. a body which has an identity of its own such as a company) or whether it is simply a group of people coming together with a common purpose (an unincorporated organisation). An unincorporated organisation generally poses a more significant risk to those involved in it because if something goes wrong, personal legal action can be taken against everyone managing it.
 - in what capacity they are being asked to serve on the Outside Body; -
 - as a member of an Outside Body where they represent the Council's position as a 'member' of the Outside Body but take no part in its management or governance other than to attend and vote at annual or

general meetings. Here they will be mainly concerned with representing the Council and will not have responsibilities for governance of the body; or

- as a member of the management committee, board of directors or committee of trustees of the Outside Body. Whilst the Member may have been appointed to the body by the Council, their primary responsibility will be to the body itself, to advance the interests of the body or of the beneficiaries of the trust, as opposed to acting as a representative of the Council. They will have detailed responsibilities which are outlined further in this guidance

- what the body has been set up to do;
- the governance arrangements of the organisation; and
- the financial position of the organisation.

3.2 The Council representatives are also advised to:

- consider if there is likely to be any significant conflict of interest between their role in the outside organisation and their Council role before accepting the office;
- clarify the insurance arrangements (does it cover the key risks of the organisation as well as the Member and is the liability limited or unlimited) and assess the possibility of any implications on themselves as individuals (specifically consider the nature and function of the body and the amount of money it deals with – always be aware of the added risk where the organisation employs staff);
- if no insurance exists this must be weighed up in the decision to accept the appointment;
- ask about any specific legal responsibilities attached to the membership of the organisation;
- read the constitution of the organisation and be aware of its powers, duties and objectives;
- attend meetings regularly and present apologies in good time when they are unable to attend;
- satisfy themselves that they receive regular reports on the activities of the organisation and its financial position;
- satisfy themselves that the organisation has adequate Health and Safety and Equalities Policies;
- obtain a copy of the annual report and accounts to ensure that funds are spent on agreed objectives where the organisation is funded by or through the Council; and
- seek advice from the appropriate Council Officers in the event of any doubt or concerns about the running of the organisation.

4 The Responsibilities of the Councillor

- 4.1 In carrying out the role of a representative on the Outside Body, Councillors act both as individuals and as representatives of the Council:

4.2 Members should:

- act according to the rules, constitution and framework set by the Outside Body;
- take an active and informed role in the Outside Body's affairs;
- make independent and personal judgements in line with their duty of care to the Outside Body;
- report back to West Berkshire Council annually (by the 01 May) using the form attached at Appendix B;
- promote equality as an integral part of the role and to treat everyone with fairness and dignity;
- from time to time it is possible that a conflict of interest may arise between the role of the Councillor and the role they are undertaking on an Outside Body. Members are referred to Appendix A6. Members are advised to seek legal advice before setting off on a course of action.
- behave ethically and follow as far as applicable the Code of Conduct for Members; and
- wherever possible approach the lead officer for the Outside Body for a briefing on agenda items before attending meetings of the Outside Body.

4.3 Members should not:

- represent the political party to which the Councillor is aligned;
- consider matters purely from the Council's perspective;
- commit the Council to any expenditure which is outside of the agreed Capital and Revenue budgets; (In accordance with the Council's Financial Rules of Procedure any additional expenditure requests must be authorised by the appropriate person or body)
- be there in name only and merely turn up to meetings.

4.4 More Specific information pertaining to Limited Companies, Charitable Trusts, Partnerships, and Unincorporated Organisations is set out in Appendices A2, A3, A4 and A5 of this Protocol.

5 The Role of the Councillor

5.1 The role of Council representatives on Outside Bodies will vary but essentially the role will be:

- to help to secure any objectives of the Council in participating in the organisation;
- to help the organisation to achieve its aims and objectives legally, properly and effectively;
- to meet any specific legal responsibilities attached to membership of the organisation; and
- to safeguard the Council's interest on those organisations which are funded by or through the Council.

5.2 More Specific information pertaining to Limited Companies, Charitable Trusts, Partnerships, and Unincorporated Organisations is set out in Appendices A2, A3, A4 and A5 of this Protocol.

6 Expenses, Remuneration and Benefits

- 6.1 As a general rule Members should not benefit personally from their appointment to outside organisations.
- 6.2 Travel and subsistence expenses should be claimed through the organisation if available otherwise through the Council in accordance with the relevant Part of the Constitution (Members' Allowances Scheme).
- 6.3 When accepting gifts and hospitality Members should be mindful of the Council's Constitution in respect of gifts and hospitality which states that 'A Member should treat with extreme caution any offer or gift, favour or hospitality that is made to them personally. The person or organisation making the offer may be doing, or seeking to do, business with the Council, or may be applying to the Council for planning permission or some other kind of decision.'
- 6.4 Members are required 'within 28 days of receiving any gift or hospitality over the value of £25, to provide written notification to the Monitoring Officer of the existence and nature of that "gift" or "hospitality",' but that 'all gifts, irrespective of value, should be recorded in the appropriate register of gifts and hospitality which will be open to public inspection.'
- 6.5 Free access to a Company's facilities should only be accepted where it is necessary to discharge duties and responsibilities as a Director and should be declared to the Council.
- 6.6 The Code of Conduct should be followed at all times.

7 Representatives Reporting Back

- 7.1 Councillors are under a specific obligation as a result of the 1995 Local Authorities (Companies) Order to report back to the Council on their involvement in outside companies to which they have been nominated by the Council. Where the Council provides financial assistance to a charity or voluntary organisation of over £2,000 per annum then the body is under an obligation to state in writing to the Council how the funding has been used (s137A Local Government Act 1972).
- 7.2 While the law now makes this a requirement for involvement in outside companies, it is self evident that the requirement to report back should apply to involvement in all Outside Bodies. It is important that anyone who is appointed to an Outside Body provides appropriate information on what the organisation is doing. Members are not required to disclose information which is commercially confidential to the body.
- 7.3 Accordingly Members are requested to submit their annual report to the Head of Policy and Communication using the attached form by the 01st May each year. The reports will then be circulated to all Members. Where there is more than one Member appointed to an outside body a joint submission should be made.
- 7.4 There are a number of organisations to which the Council appoints Members where more regular feedback from Members would be appropriate. In these circumstances Members or Officers attending the meeting should provide a brief summary for inclusion in the Members' Bulletin on a quarterly basis.

8 Further Advice

- 8.1 Relationships between the Council, Outside Bodies and the council's representative can be complex. In any case of dispute or difficulty, Members should seek advice from the Secretary or Clerk to the Outside Body, who can then take advice from professional advisors where necessary.
- 8.2 If Members are concerned about the position they find themselves in as a Councillor on an Outside Body, they should contact the Monitoring Officer for further advice.

9 Interests

9.1 The Council's Code of Conduct requires that:

"13 (2) Subject to paragraph 14, you must, within 28 days of becoming aware of any new personal interest or change to any personal interest,

register details of that new personal interest or change by providing written notification to your authority's monitoring officer."

- You must register a personal interest in:

"8 (1) (a) (i) any body of which you are a member or in a position of general control or management and to which you are appointed or nominated by the Authority"

- So if a Member is appointed in that capacity to an Outside Body they must register that interest with the Monitoring Officer.

10 Council's Code of Conduct – General Provisions

10.1 The Council Code of Conduct requires that a Member must observe the Code of Conduct whenever the Member is acting as a representative of the authority.

10.2 The Code of Conduct also states:

- *"2 (5) Where you are acting as a representative of the authority:*
 - (a) on another relevant authority, you must, when acting for that other authority, comply with that other authority's code of conduct; or*
 - (b) on any other body, you must, when acting for that other body, comply with the authority's Code of Conduct, except and insofar as it conflicts with any other lawful obligations to which that other body may be subject."*

11 Conflicts of Interest

11.1 Appointment to an Outside Body can take various forms, and before taking up active membership it is advisable to establish exactly in what capacity the Member is being appointed.

11.2 If Members are appointed to an Outside Body they will have a personal interest in that body and will need to consider their position when they sit on Council, the Executive, a Council committee or other decision-making body which is considering a matter which relates to that body.

11.3 If Members attend a meeting where there is an item of business which relates to or affects the Outside Body, they will need to disclose the interest at the meeting, regardless of whether or not they were appointed onto the Outside Body by the Council, or by the Outside Body itself. This may not be a report which specifically mentions the body, but will affect it. For example, the budget setting meeting of Full Council can have implications for council funding of voluntary organisations.

- 11.4 The next issue is to consider whether they also have a prejudicial interest which would require them not only to disclose it but also to withdraw from consideration of that item of business.
- 11.5 The Code of Conduct provides a three part test, as follows –
1. Firstly, does the Member have a personal interest in the item of business? Prejudicial interests can only arise if Members first have a personal interest.
 2. Secondly, the interest must be so immediate that “a member of the public with knowledge of the relevant facts would reasonably regard (it) as so significant that it is likely to prejudice your judgement of the public interest”. That means that it must be probable that the Member feels such allegiance or loyalty to the Outside Body on which they serve that they could allow that loyalty to affect the way that they would speak or vote on the matter - i.e. that they will act because a particular decision benefits the Outside Body rather than because it is in the genuine public interest.
 3. Finally, the item of business must either affect the financial position of the Outside Body or relate to the determination of a planning or other application of the Outside Body.
- 11.6 If a Member does decide that they have a prejudicial interest, they must disclose this and leave the meeting room and not influence the debate or decision in any way. If the Council body making the decision has a policy of allowing members of the public to speak, Members can use this avenue legitimately to speak to the meeting but they must follow the rules of the public speaking session and then leave the room as soon as they have spoken on the matter.
- 11.7 Members should take advice from the Monitoring Officer if any situation arises where they think they might have a problem with an interest arising from their involvement with the Outside Body.
- 11.8 Whilst a failure by a Member to disclose a personal interest, or to disclose and withdraw for a prejudicial interest, may lead to sanctions against the individual Councillor, it will not of itself invalidate the decision of the authority in which the Councillor participated. However, where there is a real possibility that the decision of the Council might have been affected by bias or predetermination on the part of one or more Councillor, that decision can be held by a Court of Law to be invalid. Members therefore need also to be careful about the possibility of bias and predetermination when they are dealing with matters involving an Outside Body on which they serve.
- 11.9 Any Councillor who is about to take part in a decision, either collectively with other Councillors or via Individual Decision, must not allow him/herself to be unduly influenced by his/her allegiance to any Outside Body or individual, nor should they give the impression that he/she might be influenced by it. That is bias and apparent bias. It arises because of a connection to an Outside Body or person.
- 11.10 It also follows that, whilst a Councillor may have preferences and predispositions, he/she must not finish the decision-making process until he/she has received and considered all the relevant information relating to the matter. To do so would be

predetermination. Whilst it is accepted that Councillors live in the real world and will discuss matters with colleagues and constituents, and bring the benefit of those discussions to the Committee Room, they must still listen to the arguments and be prepared to change their mind if the evidence presented requires it.

- 11.11 From this it will be apparent that particular difficulties arise where a Councillor is a member of an Outside Body such as a pressure group, which is seeking to influence the authority's decision on a particular matter, as such membership can readily be taken as evidence of bias and/or predetermination. On occasion, and particularly in respect of local, single-issue pressure groups, a Member may have to choose whether to be a campaigning Councillor, participating in a pressure group, or to remain outside the campaign but be able to vote on the issue when it comes before the Council.
- 11.12 In some instances a Member may also find that they are unable to properly carry out their functions as a Member of the Council and a Member of the Outside Body. In these instances the Member may consider resigning from one body or another. Members should seek advice from the Monitoring Officer before taking such action.

12 Limited Company

- 12.1 A company has a separate legal personality to its shareholders (also described as company members or subscribers). One of the main advantages of acting through a limited company is that shareholders can claim the benefit of limited liability. In the case of a company limited by shares this means that they will not be liable for the debts of the company if the company makes losses over and above the amount which they have pledged to pay the company for their shares. In a company limited by guarantee this means that the shareholders 'guarantee' to contribute a specified sum if called upon to do so (usually a nominal amount of £1) in the event that the company goes into insolvent liquidation.
- 12.2 An appointment as a director of a company needs to be confirmed by the completion of a form (known as '288') which needs to be signed and submitted to Companies House. The secretary of the Outside Body should assist you with this.
- 12.3 The Directorship should also be recorded in the Council's Register of Members' Interests (within 28 days of the appointment). Directors take responsibility for all the main decisions in relation to the operation of the company, including entering into contracts.
- 12.4 The position of Council Members acting as Company Directors is that although Members have been appointed by the Council they have a duty to act in the best interest of the Company.
- 12.5 Although Members are advised to consider the specific rules pertaining to the Company they have been appointed to, the general legal responsibilities of Company Directors are:
- to ensure that the Company acts within its legal powers;
 - to act honestly and in good faith in the best interests of the Company;
 - not to make a personal profit and to take proper care of the assets;
 - to avoid conflicts of interest and not to allow personal interest to influence action as a Director;
 - to record personal interests in the Company's Register of Director's Interests;
 - to act with reasonable competence and care;
 - to exercise reasonable skill and care (this is a subjective test based upon the individual's own knowledge and experience); and
 - not knowingly allow the Company to trade fraudulently, recklessly or in an insolvent position.
- 12.6 Council appointed Directors are advised to:
- clarify the insurance arrangements and assess the possibilities of any implications on themselves as individuals;
 - to be familiar with the Articles and Memorandum of Association of the Company;
 - to ensure that their interests are registered with the Company;

- to attend Board meetings regularly, read the agenda in advance and seek a briefing from officers where necessary;
- to ensure that the Company has proper procedures for reporting performance and financial information to board members at each meeting;
- to take an interest in the appointment of the management of the Company to ensure that suitable qualified and experienced managers are in place;
- to ensure that the Company has adequate Health and Safety and Equalities Policies; and
- to seek advice from the appropriate Council Officers if in any doubt about the financial viability of the Company or any aspect of its operation.

12.7 Members need to be particularly careful when acting as a Company Director if there is any prospect of the company becoming insolvent i.e. not having sufficient assets to pay its debts. When a company becomes insolvent, or it is foreseeable that it will be insolvent, directors of the company have a higher duty of competence and attention to company business than when the company is still solvent. If they fail to take every possible step to minimise the company's debts, they may be personally liable for any additional losses suffered by creditors of the company ("wrongful trading"). A director may be found guilty of fraudulent trading (a criminal offence) if he /she allows the company to trade with an intent to defraud creditors.

12.8 If you become a Company Director there are some useful guidance documents to assist you on the websites of the Institute of Directors and Companies House as follows: www.iod.com www.companieshouse.gov.uk

12.9 There may be occasions where conflicts of interest arise between the Council and the Company. Some examples are:

- contracts between the two;
- negotiations on agreements, such as terms of leases;
- applications for Council permission, e.g. planning consent.

12.10 This may mean that the primary responsibility to the Company could conflict with the Council's interest.

12.11 In these circumstances, Members are advised to declare a prejudicial interest at any Council meetings or discussions and should withdraw from the decision making process. (see Appendix A1)

13 Charitable Trustees

13.1 To be a Charity an organisation must operate for one of the four charitable purposes, namely:

- the relief of poverty and human suffering;
- the advancement of education;
- the advancement of religion; and
- another purpose for the benefit of the community.

13.2 It must operate for the public benefit and have exclusively charitable purposes. An organisation which operates for political purposes will not qualify for charitable status.

13.3 Trustees duties include:

- the need to act in accordance with the constitution of the Charity;
- not making a private profit from their position;
- acting honestly and in good faith in the best interests of the Charity;
- ensuring that information relating to the charity and trustees is registered with the Charity Commissioners and annual accounts, reports and returns are completed and sent;
- Ensuring that the body acts in accordance with the overriding duty to the beneficiaries of the Trust;
- ensuring compliance with all relevant legislation (e.g. in relation to tax and land matters); and
- Council representatives are advised to clarify the insurance arrangements and assess the possibilities of any implications on themselves as individuals.

13.4 There is now a statutory duty of care under the Trustee Act 2000 which applies when a Trustee is:

- exercising a general power of investment or any specific power of investment arising from the Trust;
- making investments in line with the Standard Investment Criteria under section 4 of the Act or taking independent advice on investments under section 5;
- exercising the power to acquire land or deal in land;
- appointing agents, custodians or nominees or in reviewing their obligations;
- compounding liabilities under section 15 of the Trustee Act 1925;
- Insuring Trust property; and
- Dealing with reversionary interests, valuations or audits.

13.5 The standards of care expected of Trustees is that which is reasonable in the circumstances, taking into account any particular skills or competencies possessed by the individual. Additional information relating to the responsibilities for charitable directors and trustees is available on the Charity commission's website <http://www.charity-commission.gov.uk>

14 Partnerships

14.1 The Council representatives on partnerships have three main roles:

- to promote the Council's objectives in participating in the partnership;
- to ensure that the Partnership delivers its own objectives;
- to safeguard the Council's interests within the partnership, particularly where the Council is a funding partner or the accountable body for External Funding

14.2 Council representatives on partnerships are advised to:

- be clear on the Council's own objectives in participating in the partnership;
- read the Constitution of the Partnership and be aware of its objectives and powers;
- attend Partnership meetings regularly, read the agendas in advance and seek briefing from Officers where necessary;
- ensure that the Partnership has proper procedures for reporting progress and financial information; and
- take an interest in the appointment of key staff.

15 Unincorporated Organisations

- 15.1 Groups which are not charitable trusts or limited companies are 'unincorporated associations' and have no separate legal identity from their members. The rules governing the Members' duties and liability will be set out in a constitution, which is simply an agreement between the members as to how the organisation will operate. Usually the constitution will provide for Management Committees to be responsible for the everyday running of the organisation. An unincorporated organisation may be charitable and therefore register as a charity.
- 15.2 Management Committee Members must act within the Constitution of that Outside Body and must take reasonable care when exercising their powers.
- 15.3 If Members become involved in the administration of an unincorporated body, they need to be aware that, as the body has no separate corporate status, any liabilities will fall upon the members personally. This means that if something goes wrong and the organisation is sued, the members/owners personal assets are at risk – they cannot stand behind a company or other body which gives them some protection.
- 15.4 If Members take on personal responsibilities for the organisation, such as buying equipment or renting premises, they are personally liable for the entire cost, and can only recover those costs from the organisation to the extent that it actually has the money to reimburse them, or from the other members of the organisation to the extent that the membership agreement gives them the right to be reimbursed by each of them.
- 15.5 Members need to be very careful about the risk of personal liability and the extent to which this has been covered by insurance arrangements (either arranged by the organisation itself or by the Council or by indemnities).

16 Indemnity for Members

- 16.1 The Council may only indemnify Members in certain circumstances as prescribed by the Local Authorities (Indemnity for Members and Officers) Order 2004.
- 16.2 The Council will provide an indemnity in relation to any action or failure to act by any Member which:
- is authorised by the Council;
 - forms part of, or arises from, any powers conferred, or duties placed, upon that Member at the request, or with the approval of the authority including acting as the Council's representative on an Outside Body;
 - arises in respect of the cost of defending any claim for an allegation of defamation by a Member acting in an official capacity (but not in respect of any punitive or exemplary damages or arising from malicious or injurious falsehood);
 - is in respect of any investigation, hearing or other proceedings for an alleged failure to comply with the Code of Conduct for Members but, if the Member is found to have breached the Code of Conduct, and where an appeal is unsuccessful, then that Member shall reimburse the authority or the insurer for their costs incurred in relation to those proceedings;
- 16.3 The indemnity includes an act or omission subsequently found to be beyond the powers of the Member in question, but only to the extent that the Member reasonably and genuinely believed that the act or omission was within their powers at the time they acted.
- 16.4 The indemnity does not apply to the defence of any criminal proceedings brought against a Member unless specifically approved by the Council and then only on a similar basis to that relating to proceedings for breaches of the Code of Conduct.
- 16.5 It is possible in some circumstances for the Council to indemnify (i.e. stand behind the Councillor and pick up any personal legal liabilities/costs/damages which the Councillor incurs as a result of his/her appointment to an Outside Body). The Council currently has Officials Indemnity insurance cover in place which covers Members on Outside Bodies but it may be necessary to consider issues on a case by case basis. Please speak to the Monitoring Officer if you have any cause for concern that an Outside Body with whom you are involved is getting into difficulty or you have any indication that you might be getting involved in potential personal liability

APPOINTMENT TO OUTSIDE BODIES ANNUAL FEED BACK FORM

4. Name of Organisation	5.
6. Name of Member	7.
8. Period of review	9.
10. Number of Meetings called to attend	11.
12. Number of Meetings attended	13.
14. Reasons for not attending, if appropriate	15.
16. What background/briefing information did you receive from the organisation on its constitution, aims, objectives etc and was it sufficient to enable you to carryout your appointed role?	
17. Please indicate how effective you think the organisation is (has it met or contributed to the Council's Key Priorities) and give examples to illustrate your reply?	

18. Do you think the Council should continue to be represented on this organisation?	19. Yes/No
20. If No, please state why	

21.

22. Councillor

Signed..... Dated:.....

22.1 Return completed forms to: Moira Fraser, Policy and Communication, Market Street Offices, Newbury, RG14 5LD or email: mfraser@westberks.gov.uk

West Berkshire Council – Outside bodies supported

Appendix C

Ser	Body	Notes	No. of Reps	Status	Comments
1.	14-21 Time to Talk	To support young people in the 14-21 age group in addressing and counselling them in relation to issues and concerns creating difficulties in their lives.	2 (need not be a Member - Trustee)	Trustee with no voting status and legal responsibilities	
2.	ACTVaR	Provides a united and consistent voice for the constituent authorities of Berks, Bucks and Oxon. Economic Development Officer and Bryan Lyttle also attends.	2 (Members) + 2 Subs (Members) - Leader of Council or as nominated by the Executive	Member with voting status and no legal responsibilities	This Function will cease on the 31 March 2010.
3.	Adventure Dolphin Centre	To provide liaison with the local community and evaluate if activity programmes meet local needs.	2 (Members)	Member with voting status and no legal responsibilities	

4.	AWE Local Liaison Committee (referenced to Council)	The local liaison Committee acts as an interface between the Atomic Weapons Establishment and the public. It is a forum for the (38) members to receive and seek information about AWE's activities. Members are taken from parish/town/county level in the community around AWE.	Emergency Officer + 3 (need not be Members)	Member with no voting status and no legal responsibilities
5.	Berkshire Adoption Advisory Service	Member of joint adoption panel is required from each consortium agency. The BAAS manages the panel on behalf of West Berkshire. Requirement under Adoption Regulations 2005.	1 (Member with responsibility for and knowledge of Children's Services)	
6.	Berkshire Archaeological Trust	The objects of the trust are to advance the education of the public in the archaeology of Berkshire.	1 (Member)	
7.	Berkshire Community Foundation	Grant giving Trust for small voluntary groups in perpetuity	1 (Public eligible for appointment)	Observer status no voting or legal responsibilities

8. Berkshire Maestros (formerly Berkshire Young Musicians Trust)	Provide a wide range and choice of musical activities to the widest possible number of pupils and schools in the county. We teach voice, woodwind, strings, brass, percussion, guitar, keyboard with approx. 8,000 children taking weekly lessons. See website (www.berkshiremaestros.org.uk) for more information.	1 Member	Trustee with voting status and legal responsibilities
9. Berkshire Pension Fund	The Royal Borough of Windsor and Maidenhead acts as the administering authority for the Berkshire Pension Fund that covers all Local Government Pension Scheme employees.	1 (Member)	Voting rights but no legal responsibilities
10. Breedon Educational and Vocational Foundation	To fund from the foundation income educational needs of children and young people resident in the Civil Parish of Pangbourne.	1 (Need not be a Member)	Trustee with voting status and legal responsibilities

11. Bucklebury Common Advisory Committee	Organisation comprises local residents, Council officers and Members. Their role is to oversee the management of the Common, particularly issues relating to access to the common.	1 (Member)	Member with voting rights but no legal responsibilities.
12. Charity of Mrs Mabel Luke	Management of four Almshouses for beneficiaries from Newbury and Greenham. Prefer trustee to be resident of Newbury Town Council or Greenham Parish Areas.	1 (Need not be a Member)	Trustee with legal responsibilities and voting rights
13. Children's Rights and Advocacy Service - NCH	To help to protect and enhance the rights of vulnerable children and improve their access to advocacy services	1 (Member)	
14. Christ's Hospital Council of Almoners	Administration of independent boarding school for children of families unable to afford boarding school fees. See letter on file - appointment of hold.	1	Voting status This Function will cease shortly - awaiting confirmation from the foundation

15. Citizens' Advice Bureau	To provide impartial independent advice and advocacy for the public	2 (Members)	A member. The CAB became a company and so changed its governance structure
16. Clarke's Educational Foundation, Mortimer	To make grants for educational purposes, other organisations and individuals in the parishes of Stratfield Mortimer, Mortimer West End and Wokefield	1 (Need not be a Member)	Trustee with legal responsibilities and voting rights
17. Cleaner Kennet Campaign	Forum to promote the environmental protection of the River Kennet and the Kennet Valley corridor. Co-ordinating clean up events.	2 (Members)	Members to be Chairman and Observer. Voting Status
18. Community Council for Berkshire	Co-ordinates voluntary services in rural areas and develops rural communities	1 (Member)	Voting status
19. Corn Exchange Trust	Arts Charity - Full Charity Status - to manage Newbury Corn Exchange	2 (Member)	Trustee with legal responsibilities and voting rights

	Trustee status	2 (Not necessarily Members)		
20. Coxedd, Pearce & Kimbers Almshouses			Group of 16 Almshouses, provides accommodation for needy people of retirement age who have resided in the Newbury area for 2 years. Should have special knowledge of the area through residence, occupation or employment, with particular regard to the elderly	
21. Crookham & Greenham Commons Commission		2 (Members) + 1 Project Officer	Commission will be disbanded when the Greenham Commission is formally started. To assist in the management of the commons by putting local views. Active involvement by two volunteer wardens	
22. Crookham Commons Athletics Track Joint Management Committee	Member with voting rights but no legal responsibilities	1 (Member)	An advisory body to develop a community athletics track at Thornford park, Crookham	
23. Donnington Hospital Trust	Member with no voting rights and no legal responsibilities.	1	Provision of almshouses in Berkshire and Oxfordshire	

24.	Downlands Sports and Recreation Centre JMC	Acts as an advisory board for the leisure centre service. Oversees service standards, considers annual price increases, customer complaints/comments etc.	4	Member with voting rights but no legal responsibilities	
25.	Greenham Common Trust	General charitable purposes	3 (1 Director, 2 Members of the Distribution Committee - need not be Member)	Distribution Committee Member	
26.	Greenham Community Association	Manages Greenham Community Centre.	1 (Member)		
27.	Henwick Worthy Joint Management Committee	To discuss issues of policy relating to the sports and recreational centres	3 Members and 2 substitutes		
28.	Home-Start West Berkshire	Home Start recruits and trains volunteers who go on to support local families with children under 5.	1		

29.	Hungerford & Camburn Education Foundation	To provide funding to anyone in further education under 25 who has resided in Hungerford for at least 3 years	1		
30.	Hungerford Leisure Centre Joint Management Committee	Acts as an advisory board for the leisure centre service. Oversees service standards, considers annual price increases, customer complaints/comments etc.	4 Max	Member with voting rights but no legal responsibilities	
31.	Joint Strategic Planning Committee	To liaise and co-ordinate work on strategic planning matters. Waste and Minerals planning. Berkshire-wide monitoring and South East Plan Berkshire-wide work.	2 (1 vote only)		
32.	Kennet & Avon Canal Partnership Steering Group	To oversee a maintenance agreement with British Waterways Board	1	Member with voting rights but no legal responsibilities	

33.	Kennet Leisure Centre Joint Policy Board	Acts as an advisory board for the leisure centre service. Oversees service standards, considers annual price increases, customer complaints/comments etc.	4 Max (Members)	Member with voting rights but no legal responsibilities
34.	Lady Frances Winchcombe's Thatcham Foundation	Grant aid to people going into further education, contributes to books, travelling etc.	1	Trustee
35.	Lambourn Centre Joint Policy Board	An advisory body to develop a community athletics track at Thornford Park, Crookham.	4 Max (Members)	Member with voting status but no legal responsibilities.
36.	LGA General Assembly	Forum re-considers strategic policy of national significance to Local Government.	3 (Members)	Member with voting rights
37.	LGA Rural Commission	To provide a forum within the LGA for member authorities with an interest in rural affairs	1 + 1 Sub (Member)	Voting status

38. Lucas & Mather Foundation Trustees	A small charity to help children in the village	1 (not necessarily a Member. Public eligible for appointment as Trustee)	Trustee with voting rights and legal responsibilities	
39. Mary Hare Grammar School	National Grammar School for the Deaf. Residential Special School for 200+ pupils. Has Training School Status, Specialist Special School Status.	1 (preferably a Member)	Trustee and Director with voting rights and legal responsibilities	
40. Mid and West Berkshire Countryside Local Access Forum	To advise West Berkshire, Reading and Wokingham Council's on the management of, and improvement of public rights of way and open access land.	1 (Member)	Member with no voting status and no legal responsibilities.	
41. New Greenham Park Enterprise Centre Ltd	Manage Enterprise Centre at New Greenham Park	1 (Member)	Director with voting rights and legal responsibilities	
42. Newbury Almshouse Trust	Provision of low cost accommodation for elderly people in need.	2 (Preferably Members)	Trustee with voting rights and legal responsibilities	
43. Newbury College	Does not want to reappoint until 2008.	1		

44. Newbury District Arts Association	NDAA is an umbrella arts organisation which encourages and promotes participation in the arts and develops knowledge, understanding and appreciation of the arts among the inhabitants of West Berkshire and adjoining parishes. Interest in the Arts desirable.	1 (Preferably Members)	Observer status with no voting rights and legal responsibilities.
45. Newbury Retail Association	To discuss issues of concern to retailers and small businesses in town - car parks, signage, congestion, planning etc.	2 (Members only)	Member status with voting rights
46. Newbury YMCA	Management of a Foyer project providing accommodation with training for young people at risk of homelessness	1	

47. North Wessex Downs AONB Council of Partners	<p>Primary purpose is to enhance and protect the natural beauty of North Wessex Downs</p> <p>Produces, prepares and reviews a joint management plan. An advisory partnership body which acts as a catalyst and facilitator in forging consensus and making recommendations to its constituent bodies (including 10 other LAs) and other organisations on policies and the allocation of resources in relation to the protection and enhancement of the AONB.</p>	1 (Member) Officer can vote on behalf of Member in his/her absence.	Member with voting rights
48. North Wessex Downs AONB LEADER Local Action Group	The Local Action Group (LAG) oversees the dispersal of LEADER funds to projects across the AONB.	1 + 1 Sub (Member)	
49. PACT (Parents and Children Together)		1	Link Councillor'

50. Padworth Common Advisory Committee	Organisation comprises local residents, Council officers and Members. Their role is to oversee the management of the Common, particularly issues relating to access to the common.	1 (Member)	Member with voting status but no legal responsibilities.
51. Pang, Kennet & Lambourn Valleys Countryside Projects		1 + 1 substitute	
52. Readibus	Readibus provides a dial-a-ride bus service for people with restricted mobility in West Berks. The service enables people to make journeys independently with dignity, so that they are better able to help themselves and live a normal life. Current term of office 'up to you'.	1 (Member Only)	Director with legal responsibilities and voting rights
53. Reading Urban Area Transport Liaison Group	Co-ordination of the transport policy in the outer Reading area	3 (Members + 2 Officers)	Member with voting status but no legal responsibilities.

54. Resolve	Formulates policy and strategy. Provides a neighbourhood and community mediation service.	1 (Member)	Observer with possible Member status
55. Royal Berkshire Fire Authority	Members to act as members of the Fire Authority. Not ID - Executive decision.	5 Members	Voting status
56. Royal Berkshire Hospital NHS Foundation Trust Council of Governors	To advise on the strategic direction of the trust and to hold the Board of Directors to account.	1 (Member)	Governor with voting rights but no legal responsibilities
57. Saunders Wynne & Coventry Educational Foundation	To assist with educational needs. Possible change of membership - see letter on file.	1 (Need not be a Member)	Trustee with voting status but no legal responsibilities
58. Snelsmore Common Advisory Committee	Overseeing the management of Snelsmore Commons and the work that the Council is doing. Active involvement by several volunteer wardens	2 (Members)	Members to be Chairman and Vice-Chairman

59. South East Employers	Represents views of authorities on employment issues. To promote, encourage and support best practice in personnel and management development	2 (Members only)	
60. South East County Leaders	Regional Planning Policy, Advocacy, Accountability, Regional Policy. See Assembly Website for further information plus copy of the Constitution etc.	1 (Member) + Sub (Member)	
61. South East Reserve Forces and Cadets Association	Supports Britain's reserve forces and cadets. Interest in Reserve Forces and Cadets in area desirable	1 (Member only)	Member with voting status
62. St Bartholomew's School Foundation	Manages an endowment the income from which is applied to enhancing the education of the School's students	6 (Need not be Members)	Trustee

63. Standing Conference on Archives	Consultative forum for matters relating to the services provided by Berkshire Record Office. Membership comprises representation of the six unitary authorities in Berkshire and of other bodies with a special interest or expertise in the subject.	1 (Member + 1 Officer)	Member with voting rights and no legal responsibilities.
64. Thames Valley Police Authority		1 Member	
65. Thames Valley Waste Forum - Sub-Group of ACTVaR	See notes in folder.	1	Member with voting rights and no legal responsibilities.
66. Thatcham Detached Youth Work Project Management Committee	To make contact with the young people of Thatcham who meet on the streets	2	
67. Thatcham Vision Steering Group	To identify needs, opportunity and actions for the benefit of Thatcham (Parish Planning Initiative)	1 (Member)	Member with voting rights but no legal responsibilities
68. Thatcham Volunteer Bureau	Transportation of walking impaired people and use of Handybus for social events	1 (Member)	Trustee

69. The Riverside Community Centre (formerly Turnpike Youth & Community Centre Cttee)	To support the AYO and youth work team in managing and developing appropriate provision to young people in the 13-19 age group in the NNAT. Nomination: Subject to County Council confirmation. Local person if possible, with interest in young people aged 14-21.	2	Member with voting rights but no legal responsibilities
70. Tourism South East	Helping tourism business to become more successful. To sustain and improve tourism industry performance by working in partnership to maximise the economic and social benefits from tourism in the region whilst safeguarding valuable assets. To serve as non-executive director. Officers welcome to attend.	1 (Member Only)	Member with voting rights but no legal responsibilities
71. Town Centre Partnership	To promote the vitality and viability of Newbury Town Centre	1 plus 1 sub	Voting status

72.	United Kingdom Atomic Energy Authority formerly Harwell Local Liaison Committee	To inform local organisations about operations at Harwell. Nuclear Decommissioning	1 Member	Member with voting rights but no legal responsibilities
73.	Valuation Tribunal Service	Determining appeals arising from council tax, non-domestic rates, completion notice appeals. No need to reappoint until 2010.	1 (preferably not a Councillor)	
74.	Volunteer Centre West Berkshire (formerly Newbury Volunteer Bureau)	The Volunteer Centre provides free impartial information, advice and guidance about volunteering. Also operate works on the Volunteer Job Shop, Handybus, Shopmobility. Operates the car and driver scheme. Should have interest in and knowledge of Council's policy regarding charities and voluntary groups.	1 (Need not be a Member)	Trustee with voting status
75.	Watermill Theatre		1 (Observer Status)	Observer status

76. West Berks Mencap	Provide support and services for people with a learning disability and their families and carers. An interest in special needs housing beneficial.	1 (Members Only)	Trustee - no legal responsibilities or voting rights
77. West Berks Safer Communities	Strategic group for the West Berkshire safer communities partnership which includes crime and disorder reduction partnership, DAAT and YOT	Portfolio Holder for Community Safety	
78. West Berkshire Chamber of Commerce Trade and Industry	Fosters and advances enterprise and publishes information	1 ex officio	Observer status
79. West Berkshire Disability Alliance	Focuses on the local public facilities governed by the Council, e.g. housing, transport & recreation and town access. Should have an interest in problems of the disabled community.	1	Member/Observer with no voting rights and no legal responsibilities

80. West Berkshire Duke of Edinburgh's Award Committee	A voluntary organisation which supports the work and development of the Award Programme in West Berkshire and its volunteers and participants and to organise an Annual Award Ceremony for those young people completing an Award.	2	Member with voting rights but no legal responsibilities.
81. West Berkshire Fostering Panel	Statutory Panel responsible for scrutinising and approving the assessments, reviews and placements of looked after children.	1 (Member)	Member with voting rights and legal responsibilities.

82. West Berkshire Victim Support	Charity supporting victims of crime linked to community safety. Letter resent to The Courthouse, Town Square, Bracknell, RG12 1AE, second letter Reading Reading & West Berkshire Witness Service Reading Magistrates' Court	1	Trustee or Observer. Trustee has legal responsibilities and voting rights. Observer has voting rights only.
83. Willink Joint Management Committee	Acts as an advisory board for the leisure centre service. Oversees service standards, considers annual price increases, customer complaints/comments etc.	4	Member with voting rights but no legal responsibilities.
84. Wokefield Common Advisory Committee	Organisation comprises local residents, Council officers and Members. Their role is to oversee the management of the Common, particularly issues relating to access on the common	1	Member with voting rights but no legal responsibilities.

This page is intentionally left blank