

Notice of Meeting

Governance and Audit Committee

Monday 27th April 2015 at 5.00 pm
in Committee Room 2 Council Offices
Market Street Newbury

Date of despatch of Agenda: Friday, 17 April 2015

For further information about this Agenda, or to inspect any background documents referred to in Part I reports, please contact Andy Day / Moira Fraser on (01635) 519459 / (01635) 51904

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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 Monday, 27 April 2015
(continued)

To: Councillors Peter Argyle, Brian Bedwell, Paul Bryant, Sheila Ellison, Tony Linden, Geoff Mayes, Julian Swift-Hook (Vice-Chairman) and Quentin Webb (Chairman)

Substitutes: Councillors Richard Crumly, Gwen Mason, Tim Metcalfe and Tony Vickers

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 9 February 2015.	5 - 8
3. Declarations of Interest To remind Members of the need to record the existence and nature of any Personal, Disclosable Pecuniary or other interests in items on the agenda, in accordance with the Members' Code of Conduct .	
4. KPMG Audit Plan (GA2985) <i>Purpose: To provide Members with a copy of the External Audit Plan for 2014-15</i>	9 - 40
5. Internal Audit Plan (GA2986) <i>Purpose: To outline the proposed internal audit work programme for the next three years</i>	41 - 82
6. Members IT Policy (C2984) <i>Purpose: To seek approval for an updated Members ICT protocol</i>	83 - 94
7. Changes to Governance Arrangements (C2987) <i>Purpose: To consider amalgamating the Governance and Audit and Standards Committees.</i>	95 - 104
8. Amendment to the Constitution – Parts 11 (Contract Rules of Procedure) and Part 4 (Council Rules of Procedure) (C2969) <i>Purpose: To agree changes to Parts 4 and 11 of the Constitution arising from changes to legislation.</i>	105 - 172

Andy Day
Head of Strategic Support

Agenda - Governance and Audit Committee to be held on Monday, 27 April 2015
(continued)

If you require this information in a different format or translation, please contact Moira Fraser on telephone (01635) 519045.

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DRAFT

Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

GOVERNANCE AND AUDIT COMMITTEE

MINUTES OF THE MEETING HELD ON MONDAY, 9 FEBRUARY 2015

Councillors Present: Peter Argyle, Brian Bedwell, Paul Bryant, Tony Linden, Geoff Mayes, Julian Swift-Hook (Vice-Chairman) and Quentin Webb (Chairman)

Also Present: Andy Day (Head of Strategic Support), Ian Priestley (Chief Internal Auditor), Moira Fraser (Democratic and Electoral Services Manager)

Councillor Absent: Councillor Sheila Ellison

PART I

17. Minutes

The Minutes of the meeting held on 24 November 2014 were approved as a true and correct record and signed by the Chairman.

18. Declarations of Interest

There were no declarations of interest received.

19. Internal Audit - Interim Report 2014-15 (GA2950)

The Committee considered a report (Agenda Item 4) that provided an update on the outcome of internal audit work.

Ian Priestley noted that in accordance with the Public Sector Internal Audit Standards, as adapted by CIPFA's "Local Government Application Note" required the Chief Internal Auditor to make a formal report annually to the Council. In addition an interim report was drafted in order to address emerging issues arising over the first six months of the year.

The Chief Internal Auditor noted that no fundamental weaknesses were identified in the Council's internal control framework. Where weaknesses had been identified management action had been taken to resolve the issues. During the first six months of the year only one weak opinion had been issued and this was in relation to Personal Budgets/ Direct Payments in Adult Social Care. The main concerns related to the Finance Service not chasing up on non receipt of financial payments from clients nor was the type of expenditure being incurred being checked against the clients support plan. In addition there was no system in place to ensure that clients had an annual fund review and no management information was produced to monitor the reviews that were undertaken.

Since the audit the financial review function had been transferred to the Client Financial Services. The follow up audit showed that the Service had responded effectively to the weaknesses that had been identified and the processes were now deemed to be satisfactory.

The Chief Internal Auditor reported that the audit plan was within target for the current financial year. He explained that the vacancy in the team had been filled in January 2015 and one member of the team was still currently seconded to the Accountancy Team.

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Councillor Julian Swift-Hook commented that it was important that the authority had a culture where internal audits were seen positively as an opportunity to improve the controls and identify any weaknesses so that they could be addressed. The Chief Internal auditor concurred and stated that he was still of the view that this was a well managed authority with strong governance arrangements in place. This opinion was also borne out by the recent Peer Review.

Members queried whether there was any merit in outsourcing the internal audit function. Officers stated that they did not think that this would be a cost effective solution given the range of functions and services the Council provided.

RESOLVED that the report be noted.

20. **Amendment to Constitution - Scheme of Delegation (C2911)**

The Committee considered a report (Agenda Item 5) that set out amendments to the Scheme of Delegation (Part 3 of the Constitution) in light of legislative changes and current practice.

Moira Fraser in introducing the item noted that Finance and Governance Group had been tasked with undertaking an annual review of the Council's Constitution. In addition there was also a constitutional requirement for the Leader of the Council to present a written record of delegations annually.

Officers had proposed the following changes to the document:

The Head of Human Resources

- Change reference from Timelord to homeworking in paragraph 3.3.3 (Human Resources);
- Changes to the procedures in relation to organisational changes in paragraph 3.3.3 (Human Resources).

The Head of Adult Social Care

- Amend paragraph 3.7.2 (Disability) to use the term community care legislation instead of specific legislation previously included;
- Amend paragraph 3.7.3 (Home Care Services: Financial Matters) to use the term community care legislation instead of specific legislation previously included;
- Remove the previously numbered paragraph 3.7.4 (Carers) and replace it by including reference to carers in 3.7.3 (Home Care Services: Financial Matters).

The Head of Care Commissioning, Housing and Safeguarding

- In paragraph 3.8.1 (Housing Act 2004) include reference to Compulsory Purchase Orders;
- Insert an additional heading 3.8.11 (safeguarding) and include authorisations in relation to the deprivation of liberty in relation to the mental Capacity Act 2005.

The Head of Strategic Support

- Inclusion of paragraph 3.9.7 (Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended)) which delegate authority to the Head of Strategic Support in consultation with the Leader of the Council and the Leader of Opposition, to appoint members to the Independent Remuneration Panel.

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The Head of Highways and Transport

- Inclusion of paragraph 3.12.15 (The Traffic Management (West Berkshire Council) Permit Scheme Order 2014) which delegates authority to grant permits to utility companies to work on the public highway.

Head of Planning and Countryside

- Correction of the Job Title of the Head of Culture and Environmental Protection in 3.14.1.

The Head of Culture and Environmental Protection

- The order of some of the delegations has been re-ordered;
- Redirected paragraph 3.15.2 (General) which deals with the delegation in respect of the day-to-day management of the Council portfolio of land and buildings, including lease renewals, assignments and rent reviews, subject to the concurrence of the appropriate Heads of Service and/or Corporate Director;
- Amended paragraph 3.15.3 (Waste Management) which now delegates authority to the Waste Manager to enforce and administer a range of primary legislation secondary legislation as set out in the document;
- Included additional legislation into paragraph 3.15.4 (Exercise of Powers under Legislation);
- Moved the bullet point relating to the granting of a licence and associated consents for the annual Michaelmas Fair. From General to Culture General 3.15.6.

The Head of Education Services

- Included additional legislation into paragraph 3.16.1 (General);
- In paragraph 3.16.2 (Admissions) reference to Standard Numbers has been replaced with the term Admission Numbers which is now used;
- Additional amendments to paragraph 3.16.2 (Admissions) to correct two omissions;
- Amendments to the first two bullet points of paragraph 3.16.3 (Attendance at School) to align the Constitution to the relevant policies;
- To update paragraph 3.16.4 (Special Education Needs) in line with legislative changes and current practice;
- To update paragraph 3.16.5 (School Term Date) to reflect the revised name of the Education Board and the Local Authority;
- To update paragraph 3.16.7 (Curriculum) by removing the first two bullet points;
- To update paragraph 3.16.8 (Staffing – In respect of Nursery Schools) by removing the second, fourth and fifth bullet points;
- To include a comment on redundancy situations in the third bullet point of 3.16.9 (Staffing – In Respect of Primary, Secondary and Special Schools);
- To update paragraph 3.16.10 (All Education Establishments) by removing the first bullet point.

The following additional changes were tabled at the meeting:

Paragraph	Amendment	Reason
3.16.10	Delete The Education (School Teachers' Appraisal) (England) Regulations 2000 and replace	To update reference to legislation

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	with The Education (School Teachers' Appraisal) (England) Regulations 2012	
3.14.22 (new)	<p>Insert:</p> <p>Planning Act 2008</p> <p>To exercise the Council's powers and duties under the Planning Act 2008 and any secondary legislation made thereunder, and including any amendments or updates to the legislation.</p> <p><i>This insertion will require the following two headings under 3.14 to be renumbered .</i></p>	To ensure that the Head of Planning and Countryside has delegated powers to implement CIL and enforce non payment
3.15.3	<p>Delete:</p> <ul style="list-style-type: none"> • Fireworks Act 1951 • Petroleum (Consolidation) Act 1928 • Petroleum (Transfer of Licences) Act 1936 	They have all been revoked

No additional amendments were raised at the meeting.

Councillor Brian Bedwell noted that he had found reading through the document very interesting as he was not aware of some of the impact it had on Members. He therefore asked Officers to ensure that this document was brought to the attention of all Members but particularly new Members. Officers accepted the comments and noted that that was one of the reasons it was brought to Council annually. All Members would again be provided with an electronic copy of the entire Constitution after the election and elements of the Scheme of Delegation would be brought to Members' attention as part of the Induction Programme previously agreed by Members.

(Councillor Tony Linden arrived at 5.26pm)

RESOLVED that the amendments to the Scheme of Delegation as set out in the report and those tabled at the meeting be recommended to Full Council on the 03 March 2015 for approval.

(The meeting commenced at 5.00 pm and closed at 5.29 pm)

CHAIRMAN

Date of Signature

Agenda Item 4.

Title of Report:	External Audit Plan 2014-15
Report to be considered by:	Governance and Audit Committee
Date of Meeting:	27th April 2015
Forward Plan Ref:	GA2895

Purpose of Report: To provide Members with a copy of the External Audit Plan for 2014-15.

Recommended Action: To note the attached Plan

Reason for decision to be taken: Accounting and Audit Regulations

Other options considered: None

Key background documentation: None.

Published Works: None

The proposals will also help achieve the following Council Strategy principle(s):

- CSP6 - Living within our means**
- CSP8 - Doing what's important well**

The proposals contained in this report will help to achieve the above Council Strategy priorities and principles by:
Ensuring that the Council's accounts accord with legislation

Portfolio Member Details	
Name & Telephone No.:	Councillor Alan Law - Tel 07973 538008
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Date Portfolio Member agreed report:	

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Implications

Policy: n/a
Financial: n/a

Personnel: n/a
Legal/Procurement: n/a
Property: n/a
Risk Management: n/a

Is this item relevant to equality?	Please tick relevant boxes		Yes	No
Does the policy affect service users, employees or the wider community and:				
• Is it likely to affect people with particular protected characteristics differently?	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
• Is it a major policy, significantly affecting how functions are delivered?	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
• Will the policy have a significant impact on how other organisations operate in terms of equality?	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
• Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics?	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
• Does the policy relate to an area with known inequalities?	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Outcome (Where one or more 'Yes' boxes are ticked, the item is relevant to equality)				
Relevant to equality - Complete an EIA available at http://intranet/EqIA			<input type="checkbox"/>	
Not relevant to equality				<input checked="" type="checkbox"/>

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 Management Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>
Report is to note only		<input checked="" type="checkbox"/>

Executive Summary

1. Introduction

- 1.1 The audit plan from KPMG, describes how KPMG will deliver their financial statements Audit work for West Berkshire Council. It also sets out their approach to value for money.
- 1.2 The Code of Audit Practice summarises the responsibilities for external Auditors into two objectives, requiring them to audit/review and report on the Council's:
- 1) financial statements (including the Annual Governance Statement): providing an opinion on the Council's accounts; and
 - 2) use of the Council's resources : concluding on the arrangements in place for securing economy, efficiency and effectiveness in their use of resources (the Value for Money conclusion).
- 1.3 The attached report is structured as follows:
- Section 2 includes their headline messages, including any key risks identified this year for the financial statements audit and Value for Money arrangements Conclusion.
 - Section 3 describes the approach KPMG will take for the audit of the financial statements.
 - Section 4 provides further detail on the financial statements audit risks.
 - Section 5 explains their approach to VFM arrangements work.
 - Section 6 provides information on the audit team, their proposed deliverables, the timescales and fees for their work.

2. Proposals

- 2.1 Members are asked to note the Audit Plan from KPMG.

3. Equalities Impact Assessment Outcomes

- 3.1 This item is not relevant to equality.

4. Conclusion

- 4.1 This Report is to bring to the attention of the members the attached External Audit Plan 2014/15.

Appendices

Appendix A - The external Audit Plan 2014/15 from KPMG

Consultees

Local Stakeholders: None

Officers Consulted: None

Trade Union: None



cutting through complexity

External Audit Plan 2014/15

West Berkshire Council

27 April 2015

The contacts at KPMG in connection with this report are:

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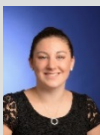
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Appendices

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3. Assessment of Fraud Risk	24
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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 which is available on the Audit Commission's website at www.audit-commission.gov.uk.

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 Ian Pennington, the appointed engagement lead to the Authority, who will try to resolve your complaint. If you are dissatisfied with your response please contact Trevor Rees on 0161 246 4000, or by email to 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 Unit Manager, Audit Commission, 1st Floor, Fry Building, 2 Marsham Street, London, SW1P 4DF or by email to complaints@audit-commission.gsi.gov.uk. Their telephone number is 03034448330.

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

Scope of this report

This document supplements our *Audit Fee Letter 2014/15* presented to you in April 2014. It describes how we will deliver our financial statements audit work for West Berkshire Council ('the Authority'). It also sets out our approach to value for money (VFM) work for 2014/15.

We are required to satisfy ourselves that your accounts comply with statutory requirements and that proper practices have been observed in compiling them. We use a risk based audit approach.

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.

Statutory responsibilities

Our statutory responsibilities and powers are set out in the *Audit Commission Act 1998* and the Audit Commission's *Code of Audit Practice*.

The Audit Commission will close at 31 March 2015. However our audit responsibilities under the *Audit Commission Act 1998* and the *Code of Audit Practice* in respect of the 2014/15 financial year remain unchanged.

The *Code of Audit Practice* summarises our responsibilities into two objectives, requiring us to audit/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 Authority.

The Audit Commission will cease to exist on 31 March 2015. Details of the new arrangements are set out in Appendix 4. The Authority can expect further communication from the Audit Commission and its successor bodies as the new arrangements are established. This plan restricts itself to reference to the existing arrangements.

Structure of this report

This report is structured as follows:

- Section 2 includes our headline messages, including any key risks identified this year for the financial statements audit and Value for Money arrangements Conclusion.
- Section 3 describes the approach we take for the audit of the financial statements.
- Section 4 provides further detail on the financial statements audit risks.
- Section 5 explains our approach to VFM arrangements work.
- Section 6 provides information on the audit team, our proposed deliverables, the timescales and fees for our work.

Acknowledgements

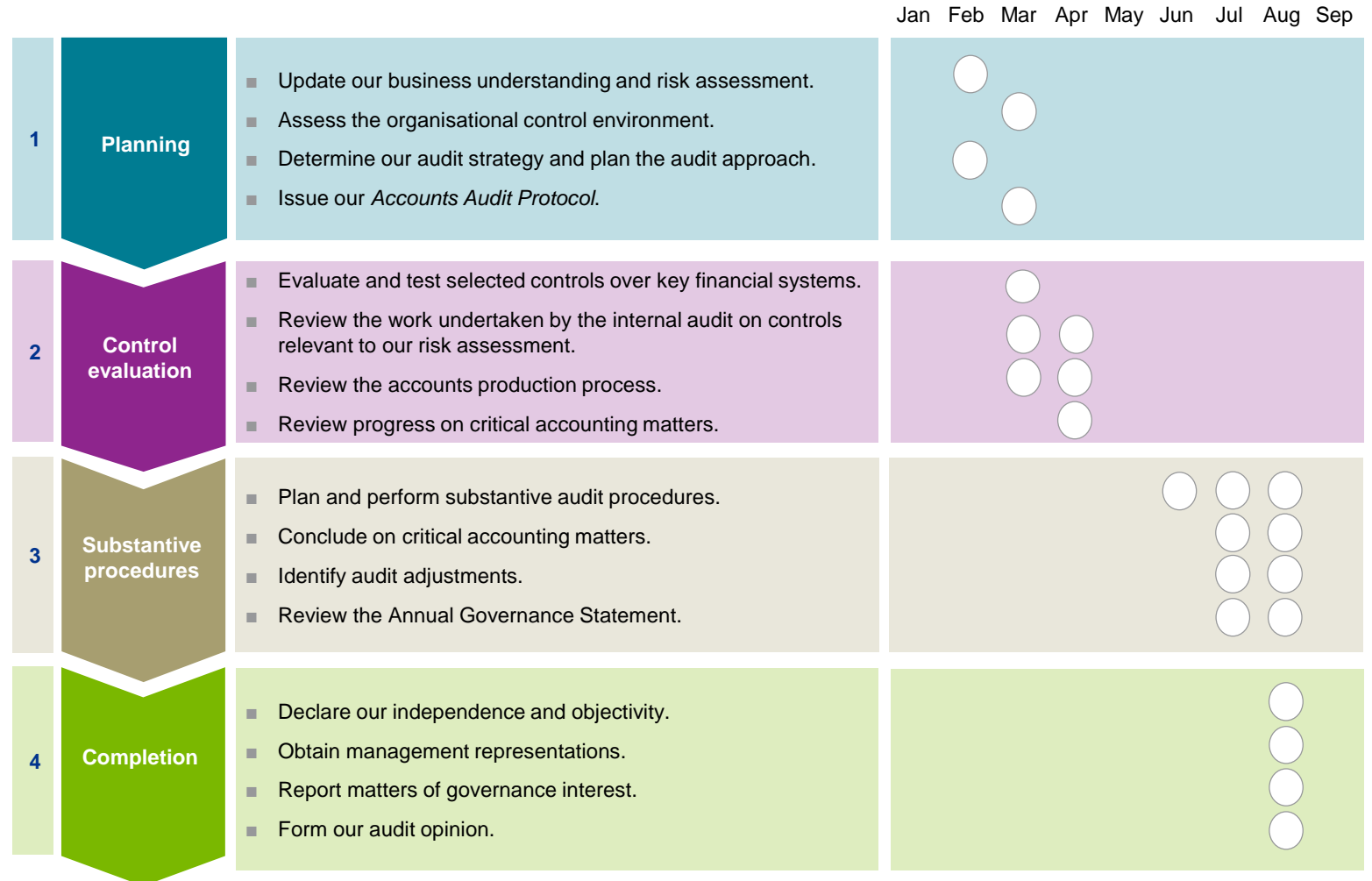
We would like to take this opportunity to thank officers and Members for their continuing help and co-operation throughout our audit work.

Audit approach	<p>Our overall audit approach remains similar to last year with no fundamental changes . Our work is carried out in four stages and the timings for these, and specifically our on site work, have been agreed with the Head of Finance.</p> <p>Our audit strategy and plan remain flexible as risks and issues change throughout the year. We will review the initial assessments presented in this document throughout the year and should any new risks emerge we will evaluate these and respond accordingly.</p>
Key financial statements audit risks	<p>We have completed our initial risk assessment for the financial statements audit and have identified one significant risk this year.</p> <ul style="list-style-type: none"> ▪ <i>Accounting for Local Authority Maintained Schools.</i> Changes to the Local Authority Code of Practice mean that the Authority has to review the agreements under which assets are used by the schools and consider whether those assets should be brought on to the Authority's balance sheet. <p>This risk is described in more detail on page 11. We will assess this risk area as part of our interim work and conclude this work at year end.</p>
VFM audit approach	<p>We have completed our initial risk assessment for the VFM conclusion and have not identified any significant risks at this stage. However risk assessment process is an on going process. If we identify any new VFM risks during this on going process we will communicate that to you.</p>
Audit team, deliverables, timeline and fees	<p>There has been one change to the audit team from last year.</p> <ul style="list-style-type: none"> ▪ Grant Slessor is re-joining the team as manager. Grant has worked extensively with the Council in the past. Ian and Hannah remain in place to provide continuity. <p>Our main year end audit is currently planned to start on 15 June 2015. This is earlier than in previous years, as the Council is working towards finalising their accounts earlier ahead of the new CIPFA guidance which will require accounts to be produced in May. It is positive to note the Council's commitment to bringing the accounts production timetable forward. At the end of our work, we will again present our findings to you in our <i>Report to Those Charged with Governance (ISA 260 Report)</i>.</p> <p>The planned fee for the 2014/15 audit is £128,870. This has increased by £1,070 from the position set out in our <i>Audit Fee Letter 2014/15</i> and is in line with the scale fees issued by the Audit Commission. The Audit Commission have increased the scale fee to take account of additional work required on National Non Domestic Rates. We previously relied on certification work in this area which has now ended. The last certification fee was £1,407 which results in a net saving to the Council.</p>

We undertake our work on your financial statements in four key stages during 2015:

- **Planning**
(February to March)
- **Control Evaluation**
(March to April)
- **Substantive Procedures**
(June to July)
- **Completion** (August)

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



During February 2015 we complete our planning work.

We assess the key risks affecting the Authority's financial statements and discuss these with officers.

We assess if there are any weaknesses in respect of central processes that would impact on our audit.

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Our planning work took place in February 2015. This involves the following aspects:

Planning

- Update our business understanding and risk assessment including fraud risk.
- Assess the organisational control environment.
- Determine our audit strategy and plan the audit approach.
- Issue our *Accounts Audit Protocol*.

Business understanding and risk assessment

We update our understanding of the Authority's operations and identify any areas that will require particular attention during our audit of the Authority's financial statements.

We identify the key risks, including the risk of fraud affecting the Authority's financial statements. These are based on our knowledge of the Authority, our sector experience and our ongoing dialogue with Authority staff. Any risks identified to date through our risk assessment process are set out in this document. Our audit strategy and plan will, however, remain flexible as the risks and issues change throughout the year. It is the Authority's responsibility to adequately address these issues. We encourage the Authority to raise any technical issues with us as early as possible so that we can agree the accounting treatment in advance of the audit visit.

We meet with the finance team on an ongoing basis to consider issues and how they are addressed during the financial year end closedown and accounts preparation.

Organisational control environment

Controls operated at an organisational level often have an impact on controls at an operational level and if there were weaknesses this would impact on our audit.

In particular, your risk management, internal control and ethics and conduct have implications for our financial statements audit. The scope of the relevant work of your internal auditors also informs our risk assessment.

Audit strategy and approach to materiality

Our audit is performed in accordance with International Standards on Auditing (ISAs) (UK and Ireland). The Engagement Lead sets the overall direction of the audit and decides the nature and extent of audit activities. We design audit procedures in response to the risk that the financial statements are materially misstated. The materiality level is a matter of professional judgement and is set by the Engagement Lead.

In accordance with ISA 320 (UK&I) '*Audit materiality*', we plan and perform our audit to provide reasonable assurance that the financial statements are free from material misstatement and give a true and fair view. Information is considered material if its omission or misstatement could influence the economic decisions of users taken on the basis of the financial statements.

Further details on assessment of materiality is set out on page 6 of this document.

When we determine our audit strategy we set a monetary materiality level for planning purposes.

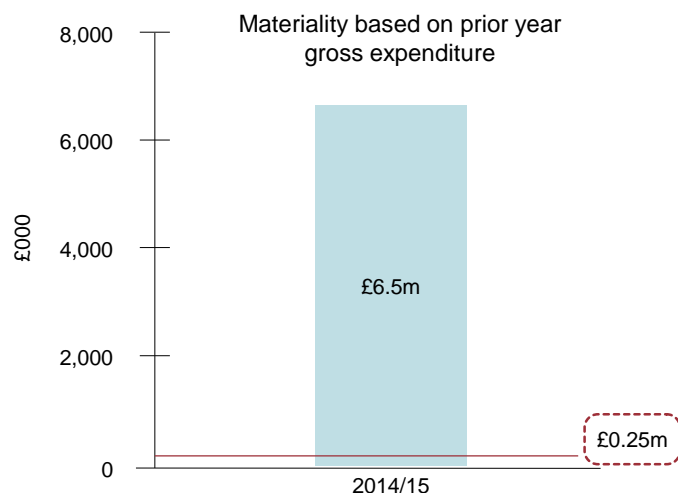
For 2014/15 we have set this at £6.5 million.

We will report all audit differences over £0.25 million to the Governance and Audit Committee.

Materiality

The assessment of what is material is a matter of professional judgement and includes consideration of three aspects: materiality by value, nature and context.

- Material errors by value are those which are simply of significant numerical size to distort the reader’s perception of the financial statements. Our assessment of the threshold for this depends upon the size of key figures in the financial statements, as well as other factors such as the level of public interest in the financial statements.
- Errors which are material by nature may not be large in value, but may concern accounting disclosures of key importance and sensitivity, for example the salaries of senior staff.
- Errors that are material by context are those that would alter key figures in the financial statements from one result to another – for example, errors that change successful performance against a target to failure.



Materiality for planning purposes has been set at £6.5 million for the Authority’s standalone accounts which equates to 2 percent of gross expenditure. We design our procedures to detect errors in specific accounts at a lower level of precision.

Reporting to the Audit Committee

Whilst our audit procedures are designed to identify misstatements which are material to our opinion on the financial statements as a whole, we nevertheless report to the Governance and Audit Committee any misstatements of lesser amounts to the extent that these are identified by our audit work.

Under ISA 260 (UK&I) ‘Communication with those charged with governance’, we are obliged to report uncorrected omissions or misstatements other than those which are ‘clearly trivial’ to those charged with governance. ISA 260 (UK&I) defines ‘clearly trivial’ as matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria.

ISA 450 (UK&I) ‘Evaluation of misstatements identified during the audit’, requires us to request that uncorrected misstatements are corrected.

In the context of the Authority, we propose that an individual difference could normally be considered to be clearly trivial if it is less than £0.25 million.

If management have corrected material misstatements identified during the course of the audit, we will consider whether those corrections should be communicated to the Audit Committee to assist it in fulfilling its governance responsibilities.

During March to April 2015 we will complete our interim audit work.

We assess if controls over key financial systems were effective during 2014/15.

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

We will report any significant findings arising from our work to the Governance and Audit Committee.

Our on site interim visit will be completed during March 2015. During this time we will complete work in the following areas:

Control Evaluation

- Evaluate and test controls over key financial systems identified as part of our risk assessment.
- Review the work undertaken by the internal audit function on controls relevant to our risk assessment.
- Review the accounts production process.
- Review progress on critical accounting matters.

Controls over key financial systems

We update our understanding of the Authority's key financial processes where our risk assessment has identified that these are relevant to our final accounts audit and where we have determined that this is the most efficient audit approach to take. We confirm our understanding by completing walkthroughs for these systems. We then test selected controls that address key risks within these systems. The strength of the control framework informs the substantive testing we complete during our final accounts visit.

Accounts production process

We raised one recommendation in our *ISA 260 Report 2013/14* relating to the accounts production process. This was to:

- Review the processes and procedures in place to identify the correct accounting period for invoices raised around year end and in particular to review the process for recharging costs relating to the Berkshire Records Office to ensure the Council is maximising its income.

We will assess the Authority's progress in addressing our recommendations and in preparing for the closedown and accounts preparation.

Critical accounting matters

We will discuss the work completed to address the specific risks we identified at the planning stage. Wherever possible, we seek to review relevant workings and evidence and agree the accounting treatment as part of our interim work.

If there are any significant findings arising from our interim work we will present these to the Governance and Audit Committee in April 2015.

During June to July 2015 we will be on site for our substantive work.

We complete detailed testing of accounts and disclosures and conclude on critical accounting matters, such as specific risk areas. We then agree any audit adjustments required to the financial statements.

We also review the Annual Governance Statement for consistency with our understanding.

We will present our *ISA 260 Report to the Governance and Audit Committee* in September 2015.

Our final accounts visit on site has been provisionally scheduled for the period 15 June 2015 to 10 July 2015. During this time, we will complete the following work:

Substantive Procedures

- Plan and perform substantive audit procedures.
- Conclude on critical accounting matters.
- Identify and assess any audit adjustments.
- Review the Annual Governance Statement.

Substantive audit procedures

We complete detailed testing on significant balances and disclosures. The extent of our work is determined by the Engagement Lead based on various factors such as our overall assessment of the Authority's control environment, the effectiveness of controls over individual systems and the management of specific risk factors.

Critical accounting matters

We conclude our testing of key risk areas identified at the planning stage and any additional issues that may have emerged since.

We will discuss our early findings of the Authority's approach to address the key risk areas with the Head of Finance in August 2015, prior to reporting to the Governance and Audit Committee in September 2015.

Audit adjustments

During our on site work, we will meet with the Financial Reporting Team on a weekly basis to discuss the progress of the audit, any differences found and any other issues emerging.

At the end of our on site work, we will hold a closure meeting, where we will provide a schedule of audit differences and agree a timetable for the completion stage and the accounts sign off.

To comply with auditing standards, we are required to report uncorrected audit differences to the Governance and Audit Committee. We also report any material misstatements which have been corrected and which we believe should be communicated to you to help you meet your governance responsibilities.

Annual Governance Statement

We are also required to satisfy ourselves that your Annual Governance Statement complies with the applicable framework and 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 part of this.

We report the findings of our audit of the financial statements work in our *ISA 260 Report*, which we will issue in August 2015.

In addition to the financial statements, we also review the Authority's Whole of Government Accounts pack.

We may need to undertake additional work if we receive objections to the accounts from local electors.

We will communicate with you throughout the year, both formally and informally.

Page 22

Whole of Government Accounts (WGA)

We are required to review your WGA consolidation and undertake the work specified under the approach that is agreed with HM Treasury and the National Audit Office. Deadlines for production of the pack and the specified approach for 2014/15 have not yet been confirmed.

Elector 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 specific 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.

Reporting and communication

Reporting is a key part of the audit process, not only in communicating the audit findings for the year, but also in ensuring the audit team are accountable to you in addressing the issues identified as part of the audit strategy. Throughout the year we will communicate with you through meetings with the finance team and the Governance and Audit Committee. Our deliverables are included on page 18.

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 standards define 'those charged with governance' as 'those persons entrusted with the supervision, control and direction of an entity'. In your case this is the Governance and 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.

Appendix 1 provides further detail on auditors' responsibilities regarding independence and objectivity.

Confirmation statement

We confirm that as of 13 March 2015 in our professional judgement, KPMG LLP is independent within the meaning of regulatory and professional requirements and the objectivity of the Engagement Lead and audit team is not impaired.

In this section we set out our assessment of the significant risks or other key areas of audit focus of the Authority's financial statements for 2014/15.

We have identified one specific risk at this stage and three areas of audit focus.

Professional standards require us to consider two standard risks for all organisations. We are not elaborating on these standard risks in this plan but consider them as a matter of course in our audit and will include any findings arising from our work in our *ISA 260 Report*.

- Management override of controls – Management is typically in a powerful position to perpetrate fraud owing to its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Our audit methodology incorporates the risk of management override as a default significant risk. In line with our methodology, we carry out appropriate controls testing and substantive procedures, including over journal entries, accounting estimates and significant transactions that are outside the normal course of business, or are otherwise unusual.
- Fraudulent revenue recognition – We do not consider this to be a significant risk for local authorities as there are limited incentives and opportunities to manipulate the way income is recognised. We therefore rebut this risk and do not incorporate specific work into our audit plan in this area over and above our standard fraud procedures.

Appendix 3 covers more details on our assessment of fraud risk.

Our initial assessment has identified one risk that is pertinent to the Authority (on accounting for local authority controlled schools – see page 11). A significant risk is an identified and assessed risk of material misstatement that, in our professional judgement, requires special audit consideration. An area of audit focus is a specific matter which we will address through our audit work and report to the Governance and Audit Committee on.

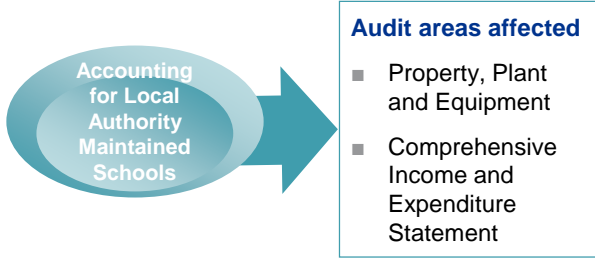
The table on the following pages sets out the significant risks and other areas of audit focus we have identified through our planning work that are specific to the audit of the Authority's financial statements for 2014/15.

We will revisit our assessment throughout the year and should any further risks present themselves we will adjust our audit strategy as necessary.

In this section we set out our assessment of the significant risks or other key areas of audit focus of the Authority's financial statements for 2014/15.



We have identified one specific risk at this stage.

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Significant Risk Area	Impact on audit
 <p>Audit areas affected</p> <ul style="list-style-type: none"> ■ Property, Plant and Equipment ■ Comprehensive Income and Expenditure Statement 	<p>Risk</p> <p>LAAP Bulletin 101 <i>Accounting for School Assets used by Local Authority Maintained Schools</i> was issued in December 2014 to assist practitioners with the application of the Code to school assets. The challenges relate to school assets owned by third parties such as church bodies and made available to school governing bodies under a variety of arrangements. This includes assets used by Voluntary-Aided (VA) and Voluntary-Controlled (VC) Schools as well as Foundation Schools.</p> <p>Authorities will need to review the agreements under which assets are used by VA/VC and Foundation schools and apply the relevant tests of control in the case of assets made available free of charge, or risks and rewards of ownership in the case of assets made available under leases. This is a key area of judgement and there is a risk that Authorities could incorrectly omit school assets from, or incorrectly include school assets in, their balance sheet.</p> <p>Particular risks surround the recognition of Foundation School assets which may or may not be held in Trust. Authorities should pay particular attention to the nature of the relationship between the Trustees and the school governing body to determine whether the school controls the Trust and the assets should therefore be consolidated into their balance sheet.</p> <p>Our proposed audit work</p> <p>As part of our audit, we will ensure the Authority is aware of the latest guidance and review the judgements made. This will include :</p> <ul style="list-style-type: none"> ■ Determining whether the Authority has identified all relevant maintained schools within its area and undertaken a review of the agreements underpinning the use of school assets by VA, VC and Foundation schools; ■ Considering the Authority's application of the relevant accounting standards to account for these schools and challenging its judgements where necessary; and ■ Determining whether the basis of valuation of assets which are brought on balance sheet is appropriate and the valuations are undertaken by qualified valuers (if applicable).


In this section we set out our assessment of the key areas of other audit focus of the Authority's financial statements for 2014/15.

For each area of focus we have outlined the impact on our audit plan

Areas of other audit focus	Impact on audit
	<p>Area of focus</p> <p>Cash has a pervasive impact on the financial statements and provides comfort over other areas of the financial statements.</p> <p>Our proposed audit work</p> <p>Our work includes:</p> <ul style="list-style-type: none"> ■ Seeking external bank confirmations over account balances; and ■ Reviewing and testing the controls over bank reconciliations.
	<p>Area of focus</p> <p>Pension valuations require a significant level of expertise, judgement and estimation and are therefore more susceptible to error. This is also a very complex accounting area increasing the risk of misstatement.</p> <p>Our proposed audit work</p> <p>Our work includes:</p> <ul style="list-style-type: none"> ■ Reviewing the information provided to the actuary by the Authority; ■ Reviewing actuarial valuation and considering disclosure implications; and ■ Comparing the assumptions made by your actuaries to benchmarks and to the assumptions used in 2013/14 for consistency.

In this section we set out our assessment of the key areas of other audit focus of the Authority's financial statements for 2014/15.

For each area of focus we have outlined the impact on our audit plan

Area of other audit focus	Impact on audit
	<p>Area of focus</p> <p>The Authority has a significant asset base. The potential for impairment/valuation changes makes this balance inherently risky due to the high level of judgement and estimation uncertainty.</p> <p>Our audit work</p> <p>Our work includes:</p> <ul style="list-style-type: none"> ■ Reviewing management's assessment of property valuations and impairment calculations. ■ Reviewing the information provided to the valuer by the Authority. ■ Comparing the assumptions made by your valuer to benchmarks and to the assumptions used for 2013/14 for consistency.

Our approach to VFM work follows guidance provided by the Audit Commission.

Background to approach to VFM work

In meeting their statutory responsibilities relating to economy, efficiency and effectiveness, the Commission's *Code of Audit Practice* requires auditors to:

- plan their work based on consideration of the significant risks of giving a wrong conclusion (audit risk); and
- carry out only as much work as is appropriate to enable them to give a safe VFM conclusion.

To provide stability for auditors and audited bodies, the Audit Commission has kept the VFM audit methodology unchanged from last year. There are only relatively minor amendments from last year to reflect the key issues facing the local government sector.

The approach is structured under two themes, as summarised below.

Specified criteria for VFM conclusion	Focus of the criteria	Sub-sections
The organisation has proper arrangements in place for securing financial resilience .	The organisation has robust systems and processes to: <ul style="list-style-type: none"> ■ manage effectively financial risks and opportunities; and ■ secure a stable financial position that enables it to continue to operate for the foreseeable future. 	<ul style="list-style-type: none"> ■ Financial governance ■ Financial planning ■ Financial control
The organisation has proper arrangements for challenging how it secures economy, efficiency and effectiveness .	The organisation is prioritising its resources within tighter budgets, for example by: <ul style="list-style-type: none"> ■ achieving cost reductions; and ■ improving efficiency and productivity. 	<ul style="list-style-type: none"> ■ Prioritising resources ■ Improving efficiency and productivity

We will follow a risk based approach to target audit effort on the areas of greatest audit risk.

Overview of the VFM audit approach

The key elements of the VFM audit approach are summarised below.



Each of these stages are summarised further below:

VFM audit stage	Audit approach
VFM audit risk assessment	<p>We consider the relevance and significance of the potential business risks faced by all local authorities, and other risks that apply specifically to the Authority. These are the significant operational and financial risks in achieving statutory functions and objectives, which are relevant to auditors' responsibilities under the <i>Code of Audit Practice</i>.</p> <p>In doing so we consider:</p> <ul style="list-style-type: none"> the Authority's own assessment of the risks it faces, and its arrangements to manage and address these risks; information from the Audit Commission's VFM profile tool ; evidence gained from previous audit work, including the response to that work; and the work of other inspectorates and review agencies.

Our VFM audit will draw heavily on other audit work which is relevant to our VFM responsibilities and the results of last year's VFM audit.

We will then form an assessment of residual audit risk to identify if there are any areas where more detailed VFM audit work is required.

VFM audit stage	Audit approach
Linkages with financial statements and other audit work	<p>There is a degree of overlap between the work we do as part of the VFM audit and our financial statements audit. For example, our financial statements audit includes an assessment and testing of the Authority's organisational control environment, including the Authority's financial management and governance arrangements, many aspects of which are relevant to our VFM audit responsibilities.</p> <p>We have always sought to avoid duplication of audit effort by integrating our financial statements and VFM work, and this will continue. We will therefore draw upon relevant aspects of our financial statements audit work to inform the VFM audit.</p> <p>In our 2013/14 report, we said that in 2014/15 we would have a more detailed review of governance processes. This will include looking at the Peer review you carried out in 2014 as well as assessing the planned work programme of the Governance and Audit Committee.</p>
Assessment of residual audit risk	<p>It is possible that further audit work may be necessary in some areas to ensure sufficient coverage of the two VFM criteria.</p> <p>Such work may involve interviews with relevant officers and /or the review of documents such as policies, plans and minutes. We may also refer to any self assessment the Authority may prepare against the characteristics.</p> <p>To inform any further work we must draw together an assessment of residual audit risk, taking account of the work undertaken already. This will identify those areas requiring further specific audit work to inform the VFM conclusion.</p> <p>Following our interim audit work, we will review some larger procurement exercises in the year to assess whether arrangements for economy, efficiency and effectiveness are properly implemented. At this stage it is not possible to indicate the number or type of residual audit risks that might require additional audit work, and therefore the overall scale of work cannot be easily predicted. If a significant amount of work is necessary then we will need to review the adequacy of our agreed audit fee.</p>
Identification of specific VFM audit work	<p>If we identify residual audit risks, then we will highlight the risk to the Authority and consider the most appropriate audit response in each case, including:</p> <ul style="list-style-type: none"> ■ considering the results of work by the Authority, inspectorates and other review agencies; and ■ carrying out local risk based work to form a view on the adequacy of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources.

Where relevant, we may draw upon the range of audit tools and review guides developed by the Audit Commission.

We have completed our initial risk assessment and have not identified any risks to our VFM conclusion at this stage. We will update our assessment at year end.

We will conclude on the results of the VFM audit through our ISA 260 Report.

VFM audit stage	Audit approach
Delivery of local risk based work	<p>Depending on the nature of the residual audit risk identified, we may be able to draw on audit tools and sources of guidance when undertaking specific local risk based audit work, such as:</p> <ul style="list-style-type: none"> ■ local savings review guides based on selected previous Audit Commission national studies; and ■ update briefings for previous Audit Commission studies. <p>These tools and guides will support our work where we have identified a local risk that is relevant to them. For any residual audit risks that relate to issues not covered by one of these tools, we will develop an appropriate audit approach drawing on the detailed VFM guidance and other sources of information.</p>
Concluding on VFM arrangements	<p>At the conclusion of the VFM audit we will consider the results of the work undertaken and assess the assurance obtained against each of the VFM themes regarding the adequacy of the Authority's arrangements for securing economy, efficiency and effectiveness in the use of resources.</p> <p>If any issues are identified that may be significant to this assessment, and in particular if there are issues that indicate we may need to consider qualifying our VFM conclusion, we will discuss these with management as soon as possible. Such issues will also be considered more widely as part of KPMG's quality control processes, to help ensure the consistency of auditors' decisions.</p>
Reporting	<p>We have completed our initial VFM risk assessment and have not identified any key issues. We will update our assessment throughout the year should any issues arise, and report against any issues in our ISA260.</p> <p>We will report on the results of the VFM audit through our <i>ISA 260 Report</i>. This will summarise any specific matters arising, and the basis for our overall conclusion.</p> <p>If considered appropriate, we may produce a separate report on the VFM audit, either overall or for any specific reviews that we may undertake.</p> <p>The key output from the work will be the VFM conclusion (i.e. our opinion on the Authority's arrangements for securing VFM), which forms part of our audit report.</p>

Deliverable	Purpose	Committee dates
Planning		
External Audit Plan	<ul style="list-style-type: none"> ■ Outlines our audit approach. ■ Identifies areas of audit focus and planned procedures. 	27 April 2015
Control evaluation and Substantive procedures		
Report to Those Charged with Governance (ISA 260 Report)	<ul style="list-style-type: none"> ■ Details control and process issues. ■ Details the resolution of key audit issues. ■ Communicates adjusted and unadjusted audit differences. ■ Highlights performance improvement recommendations identified during our audit. ■ Comments on the Authority's value for money arrangements. 	24 August 2015
Completion		
Auditor's Report	<ul style="list-style-type: none"> ■ Provides an opinion on your accounts (including the Annual Governance Statement). ■ Concludes on the arrangements in place for securing economy, efficiency and effectiveness in your use of resources (the VFM conclusion). 	24 August 2015
Whole of Government Accounts	<ul style="list-style-type: none"> ■ Provide our assurance statement on the Authority's WGA pack submission. 	24 August 2015
Annual Audit Letter	<ul style="list-style-type: none"> ■ Summarises the outcomes and the key issues arising from our audit work for the year. 	23 November 2015

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

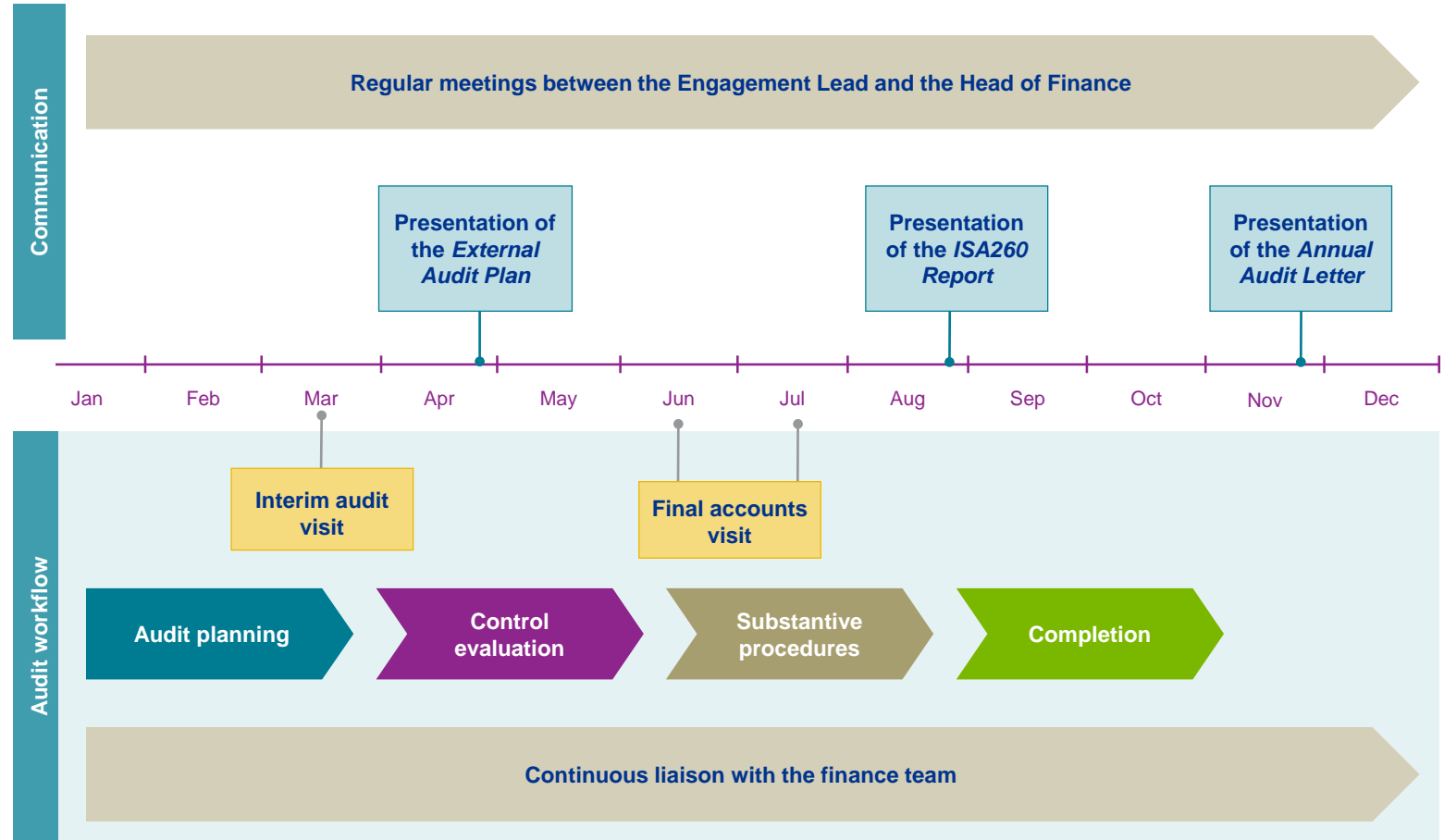
Key formal interactions with the Audit Committee are:

- April – External Audit Plan;
- August – ISA 260 Report;
- November – Annual Audit Letter.

We work with the finance team throughout the year.

Our main work on site will be our:

- Interim audit visit during March; and
- Final accounts audit during June and July.



Key: ● Audit Committee meetings.

The fee for the 2014/15 audit of the Authority is £128,870. The fee has changed from that set out in our *Audit Fee Letter 2014/15* issued in April 2014 and is in line with the scale fees issued by the Audit Commission.

Our audit fee remains indicative and based on you meeting our expectations of your support.

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

Audit fee

Our *Audit Fee Letter 2014/15* presented to you in April 2014 first set out our fees for the 2014/15 audit. We have not considered it necessary to make any changes to the agreed fees at this stage.

Our audit fee includes our work on the VFM conclusion and our audit of the Authority's financial statements.

The planned audit fee for 2014/15 is £128,870. This increased by £1,070 compared to the audit fee for 2013/14 in line with the 2014/15 scale fees issued by the Audit Commission. The Audit Commission have increased the scale fee to take account of additional work required on National Non Domestic Rates. We previously relied on certification work in this area which has now ended. The last certification fee was £1,407 so there is a net saving to the Council.

Audit fee assumptions

The fee is based on a number of assumptions, including that you will provide us with complete and materially accurate financial statements, with good quality supporting working papers, within agreed timeframes. It is imperative that you achieve this. If this is not the case and we have to complete more work than was envisaged, we will need to charge additional fees for this work. 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 2014/15;
- you will inform us of any significant developments impacting on our audit;
- you will identify and implement any changes required under the *CIPFA Code of Practice on Local Authority Accounting in the UK 2014/15* within your 2014/15 financial statements;
- you will comply with the expectations set out in our *Accounts Audit Protocol*, including:
 - the 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 adheres to our joint working protocol and 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 or for special investigations such as those arising from disclosures under the Public Interest Disclosure Act 1998.

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

The Audit Commission requires us to inform you of specific actions you could take to keep the audit fee low. Future audit fees can be kept to a minimum if the Authority achieves an efficient and well-controlled financial closedown and accounts production process which complies with good practice and appropriately addresses new accounting developments and risk areas.

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.

This appendix summarises auditors' 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 Authority 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:

- Auditors and senior members of their staff who are directly involved in the management, supervision or delivery of Commission-related work, and senior members of their audit teams should not take part in political activity.
- No member or employee of the firm should accept or hold an appointment as a member of an audited body whose auditor is, or is proposed to be, from the same firm. In addition, no member or employee of the firm should accept or hold such appointments at related bodies, such as those linked to the audited body through a strategic partnership.

- Audit staff are expected not to accept appointments as Governors at certain types of schools within the local authority.
- Auditors and their staff should not be employed in any capacity (whether paid or unpaid) by an audited body or other organisation providing services to an audited body whilst being employed by the firm.
- Firms are expected to comply with the requirements of the Commission's protocols on provision of personal financial or tax advice to certain senior individuals at audited bodies, independence considerations in relation to procurement of services at audited bodies, and area wide internal audit work.
- 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 a periodic basis.
- Audit suppliers are required to obtain the Commission's written approval prior to changing any Engagement Lead in respect of each audited body.
- Certain other staff changes or appointments require positive action to be taken by Firms as set out in the standing guidance.

We continually focus on delivering a high quality audit.

This means building robust quality control procedures into the core audit process rather than bolting them on at the end, and embedding the right attitude and approaches into both management and staff.

KPMG's Audit Quality Framework consists of seven key drivers combined with the commitment of each individual in KPMG.

The diagram summarises our approach and each level is expanded upon.

At KPMG we consider audit quality is not just about reaching the right opinion, but how we reach that opinion. KPMG views the outcome of a quality audit as the delivery of an appropriate and independent opinion in compliance with the auditing standards. It is about the processes, thought and integrity behind the audit report. This means, above all, being independent, compliant with our legal and professional requirements, and offering insight and impartial advice to you, our client.

KPMG's Audit Quality Framework consists of seven key drivers combined with the commitment of each individual in KPMG. We use our seven drivers of audit quality to articulate what audit quality means to KPMG.

We believe it is important to be transparent about the processes that sit behind a KPMG audit report, so you can have absolute confidence in us and in the quality of our audit.

Tone at the top: We make it clear that audit quality is part of our culture and values and therefore non-negotiable. Tone at the top is the umbrella that covers all the drivers of quality through a focused and consistent voice. Ian Pennington as the Engagement Lead sets the tone on the audit and leads by example with a clearly articulated audit strategy and commits a significant proportion of his time throughout the audit directing and supporting the team.

Association with right clients: We undertake rigorous client and engagement acceptance and continuance procedures which are vital to the ability of KPMG to provide high-quality professional services to our clients.

Clear standards and robust audit tools: We expect our audit professionals to adhere to the clear standards we set and we provide a range of tools to support them in meeting these expectations. The global rollout of KPMG's eAUDIT application has significantly enhanced

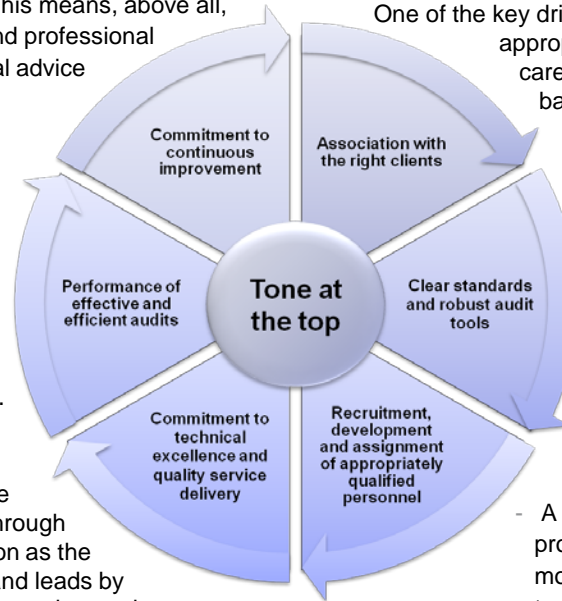
existing audit functionality. eAUDIT enables KPMG to deliver a highly technically enabled audit.

Recruitment, development and assignment of appropriately qualified personnel:

One of the key drivers of audit quality is assigning professionals appropriate to the Authority's risks. We take great care to assign the right people to the right clients based on a number of factors including their skill set, capacity and relevant experience.

We have a well developed technical infrastructure across the firm that puts us in a strong position to deal with any emerging issues. This includes:

- A national public sector technical director who has responsibility for co-ordinating our response to emerging accounting issues, influencing accounting bodies (such as CIPFA) as well as acting as a sounding board for our auditors.
- A national technical network of public sector audit professionals is established that meets on a monthly basis and is chaired by our national technical director.
- All of our staff have a searchable data base, Accounting Research Online, that includes all published accounting standards, the KPMG Audit Manual Guidance as well as other relevant sector specific publications, such as the Audit Commission's *Code of Audit Practice*.
- A dedicated Department of Professional Practice comprised of over 100 staff that provides support to our audit teams and deliver our web-based quarterly technical training.



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We continually focus on delivering a high quality audit.

This means building robust quality control procedures into the core audit process rather than bolting them on at the end, and embedding

the right attitude and approaches into management and staff.

Quality must build on the foundations of well trained staff and a robust methodology.

Commitment to technical excellence and quality service delivery:

Our professionals bring you up-to-the-minute and accurate technical solutions and together with our specialists are capable of solving complex audit issues and delivering valued insights.

Our audit team draws upon specialist resources including Forensic, Corporate Finance, Transaction Services, Advisory, Taxation, Actuarial and IT. We promote technical excellence and quality service delivery through training and accreditation, developing business understanding and sector knowledge, investment in technical support, development of specialist networks and effective consultation processes.

Performance of effective and efficient audits: We understand that how an audit is conducted is as important as the final result. Our drivers of audit quality maximise the performance of the engagement team during the conduct of every audit. We expect our people to demonstrate certain key behaviours in the performance of effective and efficient audits. The key behaviours that our auditors apply throughout the audit process to deliver effective and efficient audits are outlined below:

- timely Engagement Lead and Manager involvement;
- critical assessment of audit evidence;
- exercise of professional judgement and professional scepticism;
- ongoing mentoring and on the job coaching, supervision and review;
- appropriately supported and documented conclusions;
- if relevant, appropriate involvement of the Engagement Quality Control reviewer (EQC review);
- clear reporting of significant findings;
- insightful, open and honest two-way communication with those charged with governance; and
- client confidentiality, information security and data privacy.

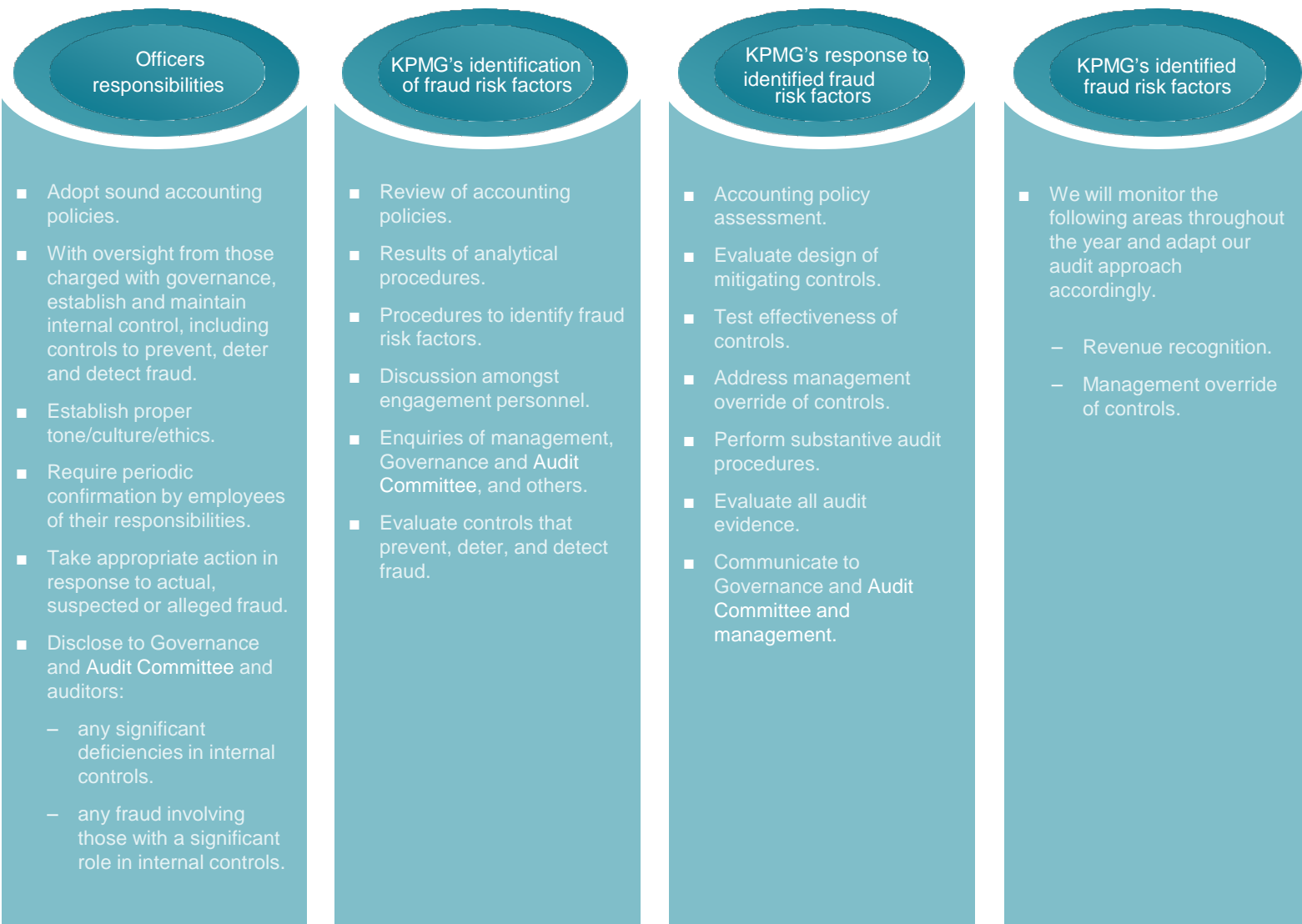
Commitment to continuous improvement: We employ a broad range of mechanisms to monitor our performance, respond to feedback and understand our opportunities for improvement.

Our quality review results: We are able to evidence the quality of our audits through the results of Audit Commission reviews. The Audit Commission publishes information on the quality of work provided by KPMG (and all other firms) for audits undertaken on behalf of them (<http://www.audit-commission.gov.uk/audit-regime/audit-quality-review-programme/principal-audits/kpmg-audit-quality>).

The latest Annual Regulatory Compliance and Quality Report (issued June 2014) showed that we are meeting the Audit Commission's overall audit quality and regularity compliance requirements.

We are required to consider fraud and the impact that this has on our audit approach.

We will update our risk assessment throughout the audit process and adapt our approach accordingly.



Appendix 4: Transfer of Audit Commission's functions

The Audit Commission will be writing to audited bodies and other stakeholders in the coming months with more information about the transfer of the Commissions' regulatory and other functions.

From 1 April 2015 a transitional body, Public Sector Audit Appointments Limited (PSAA), established by the Local Government Association (LGA) as an independent company, will oversee the Commission's audit contracts until they end in 2017 (or 2020 if extended by DCLG). PSAA's responsibilities will include setting fees, appointing auditors and monitoring the quality of auditors' work. The responsibility for making arrangements for publishing the Commission's value for money profiles tool will also transfer to PSAA.

From 1 April 2015, the Commission's other functions will transfer to new organisations:

- responsibility for publishing the statutory Code of Audit Practice and guidance for auditors will transfer to the National Audit Office (NAO) for audits of the accounts from 2015/16;
- the Commission's responsibilities for local value for money studies will also transfer to the NAO; and
- the National Fraud Initiative (NFI) will transfer to the Cabinet Office.



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Agenda Item 5.

Title of Report:	Internal Audit Plan - 2015-18
Report to be considered by:	Governance and Audit Committee
Date of Meeting:	
Forward Plan Ref:	

Purpose of Report: To outline the proposed internal audit work programme for the next three years

Recommended Action: to note the report

Reason for decision to be taken:

Other options considered:

Key background documentation:

Published Works:

The proposals will help achieve the following Council Strategy principles:

- CSP6 - Living within our means**
- CSP8 - Doing what's important well**

The proposals contained in this report will help to achieve the above Council Strategy priorities and principles by:

Reviewing the systems and procedures the Council has in place for the delivery of the Council Strategy

Portfolio Member Details	
Name & Telephone No.:	Councillor Alan Law - Tel 07973 538008
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Date Portfolio Member agreed report:	

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Implications

Policy: none
Financial: none
Personnel: none
Legal/Procurement: none
Property: none
Risk Management: none
Corporate Board's Recommendation: Corporate Board noted the report.

Is this item relevant to equality?	Please tick relevant boxes	Yes	No
Does the policy affect service users, employees or the wider community and:			
• Is it likely to affect people with particular protected characteristics differently?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Is it a major policy, significantly affecting how functions are delivered?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Will the policy have a significant impact on how other organisations operate in terms of equality?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to an area with known inequalities?		<input type="checkbox"/>	<input type="checkbox"/>
Outcome (Where one or more 'Yes' boxes are ticked, the item is relevant to equality)			
Relevant to equality - Complete an EIA available at http://intranet/EqIA			<input type="checkbox"/>
Not relevant to equality			<input checked="" type="checkbox"/>

Is this item subject to call-in?	Yes: <input 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 Management Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>
Report is to note only		<input checked="" type="checkbox"/>

Executive Summary

1. Introduction

- 1.1 This report sets out the proposed plan of work for internal audit over the next three years.
- 1.2 The report outlines the method used to compile the plan, which is based around risk.

2. Proposals

- 2.1 The audit plan sets out a range of proposed audits. In addition work carried out in the previous year will be followed up. A copy of the audit plan is at appendix B.
- 2.2 The main areas of focus will be the "Key Financial Systems" and the anti fraud work, particularly the National Fraud Initiative.

3. Equalities Impact Assessment Outcomes

- 3.1 This item is not relevant to equality.

4. Conclusion

- 4.1 The work of internal audit is designed to provide the Council with assurance on the state of the Council's internal control framework. The work is also designed to highlight and remedy weaknesses identified in the Council's service delivery systems.

Executive Report

1. Introduction

- 1.1 The purpose of this report is to set out a risk based plan 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 work of internal audit is regulated by the "Public Sector Internal Audit Standards" based on the Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF). These provide a:
- (1) Definition of Internal Auditing
 - (2) Code of Ethics
 - (3) International Standards for the professional practice of internal auditing (including interpretations and glossary)
- 1.3 The report covers the following points:
- (1) Audit objectives and outcomes
 - (2) How audit work is planned to ensure significant local and national issues are addressed.
 - (3) Basis for the opinion of the Chief Internal Auditor on the internal control framework
 - (4) Methods of providing and resourcing the service.
- 1.4 The main areas of focus will be the audits of the "Key Financial Systems", anti fraud work,
- (1) The audits of the "Key Financial Systems", in Customer Services and Finance, are carried out annually, partly because of the scale and materiality of them and partly as the Council's external auditor relies on the work Internal Audit does on these systems.
 - (2) The main element of anti fraud work is in relation to the National Fraud Initiative, which is a data matching exercise previously run by the Audit Commission, now managed by the Cabinet Office.

2. Audit Objectives and Outcomes

- 2.1 The Public Sector Internal Audit Standards provide the following definition of Internal Audit:

"Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes"

- 2.2 Translated into plain English, Internal Audit is there to help Services deliver the Council Strategy by identifying and helping to mitigate weaknesses in service delivery systems and procedures, whilst staying within the statutory framework that governs local authorities.
- 2.3 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. The full charter is attached at appendix A.
- 2.4 The main outcomes from the work of Internal Audit are:
- (1) Audit reports produced at the conclusion of each audit, for the relevant Head of Service and Director.
 - (2) Monitoring reports on progress with implementation of agreed audit recommendations.
 - (3) An annual assurance report and an interim update report for Management Board and Governance and Audit Committee on the outcomes of Internal Audit work.

3. Audit Planning

- 3.1 The work programme for Internal Audit for the period 2015-18 is attached at appendix B. The plan analyses the different areas of Council activity that Internal Audit feel require auditing. The Plan is laid out by, Corporate Audits, then by Head of Service and for each audit covers:
- (1) The key risks that the audit will cover
 - (2) The level of risk associated with the subject, as assessed by Internal Audit
 - (3) The complexity of the audit.
 - (4) The type of audit
 - (5) 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
- 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:
- (1) The Council Strategy. This is reviewed to ensure that audit resources are used to support the delivery of Council objectives.
 - (2) The Council's risk registers, particularly the Strategic Risk Register. This is used to highlight areas where assurance is required for controls that are in place to significantly reduce levels of risk to the Council.
 - (3) Results of previous audit, inspection and scrutiny work, by internal teams and external agencies, is considered.
 - (4) The views of stakeholders, Heads of Service, Corporate Board, Management Board are considered.

- (5) Plans are made available to the Council's 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:

- (1) Results of risk self assessments (Strategic and Operational Risk Registers);
- (2) Complexity/scale of system and processes / volume and value of transactions;
- (3) Fraud and corruption - eg the risk of fraud or corruption occurring;
- (4) Inherent risk - eg degree of change/instability/confidentiality of information;
- (5) 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 Chief Internal Auditor on the Council's internal control framework. The work of Internal Audit is regulated by the Public Sector Internal Audit Standards. 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 an Audit Protocol is published to all Heads of Service setting out how the service operates. A copy of this is at Appendix C

4.2 There are a number key elements to the process that ensure the output from audit is fit for purpose.

- (1) 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)
- (2) 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)
- (3) All audit work is reviewed before being released. (The review process is ongoing during the course of each audit)
- (4) The External Auditor relies on the work of Internal Audit, and will raise any concerns in their annual audit letter, to date no concerns have been raised.

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 Chief Internal Auditor to provide an annual opinion of the internal control framework of the Council.

5. Service provision and resources

5.1 The Chief Internal Auditor now has the support of 5 FTE's. The service is provided entirely through in house provision.

Appendices

Appendix A - Internal Audit Charter

Appendix B - Internal Audit work programme 2015-18

Appendix C - Internal Audit reporting protocol

Consultees

Local Stakeholders: *

Officers Consulted: *

Trade Union: *

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Appendix A

AUDIT CHARTER

1 Definition and Purpose of Internal Audit

- 1.1 The Public Sector Internal Audit Standards provide the following definition of Internal Audit.

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes

- 1.2 Internal Audit is a statutory service in the context of the Accounts and Audit Regulations, 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 half yearly 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 information for 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.

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Internal Audit Work Programme - 2015-18

Key risks to be covered

Complexity (Using a scale of 1-4, 1 being least complex) Risk Assessment Category Audit Type Date last audited 2015-16 2016-17 2017-18 TOTAL Days 2015- 2018 Est

AUDIT PLAN RATIONALE

- 1) Frequency of review is based on the overall risk rating and when the previous review was carried out.
- 2) Level of audit resource is dependent on complexity of the area to be reviewed and the level of assurance required for the risks identified.
- 3) Risk assessment factors taken into account when determining the risk category:- degree of instability/complexity of system/sensitivity of information/likelihood of fraud or corruption/previous audit control opinion

AUDIT TYPE - KEY

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

Corporate Audits

Mileage Claims - Compliance with Council procedures	a) Inaccurate/inappropriate claims resulting in theft/fraud	1	Medium	AFW	2013-14				
Income collection - spot checks	a) Theft/Fraud	1	High	AFW	2014-15	10	10	10	30
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	2012-13				
Transparency code	Non compliance with the Transparency Code requirement ie not all data types are being published/inaccurate data is published/data is not published promptly.	3	Medium	SR	New	20			20
Capital Programme - Education Services	a) Ineffective project management - budgets exceeded/deadlines exceeded/outcome does not meet client needs	4	High	OR	2014-15				

Internal Audit Work Programme - 2015-18

Key risks to be covered		Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
Establishing processes for Community Infrastructure Levy (CIL)	a) The Council is not effectively recording/monitoring CIL funds that are due/have been paid b) Policy targets are not met c) Corruption d) Income is not maximised	4	High	ADV	2013-14				
NFI Investigation work	a) fraud by employees/residents	2	High	AFW	2014-15	25	25	25	75
Ensure information security	a) Non compliance with Data Protection Act b) Information not stored securely c) Personal information issued/sent to incorrect parties b) data could be amended/destroyed/sensitive data made public		High	SR	2014-15				

Internal Audit Work Programme - 2015-18

	Key risks to be covered	Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
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 who can be allocated telecoms equipment, therefore assessing the need for Telecoms equipment	3	Medium	AFW	2010-11		15		15
Procurement cards	Ineffective monitoring of card usage resulting in inappropriate expenditure being incurred	2	High	AFW/SR	2012-13			15	15
Grant Allocation/monitoring	a) Grants not awarded appropriately b) Grant allocations are not accurately recorded/effectively monitored	2	Low	SR	2006-07	15			15
Corporate Fraud Review	a) Council's approach to dealing with fraud does not meet the revised CIPFA guidance b) The Council is not being a pro-active as it could in deterring/highlighting fraud	2	Medium	AFW	2013-14				
Archiving Council Records	a) Ineffective service provision b) Storage requirements not reviewed c) Unnecessary costs incurred	1	Medium	OR	201415				
total						70	50	50	170

Internal Audit Work Programme - 2015-18

	Key risks to be covered	Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
Resources Directorate									
Travel Claims	a) Fraudulent claims b) Inaccurate payments	1	Medium	AFW	2010-11				
total									
Head of Public Health and Wellbeing									
Public Health Unit	a) Non compliance with legislation b) Ineffective joint working arrangements resulting in poor budgetary control and/or service provision	3	High	SR	2014-15				
total						0	0	0	0
Head of Finance									
Insurance (claims management)	a) Inappropriate assessment of uninsured losses b) Inaccurate claims record for management information c) Ineffective claims management	2	High	SR	2011-12	15			
Governance / Risk Management	a) Non compliance with Legal requirements b) Ineffective framework for AGS reporting	3	High	SR	2007-08		20		20
Health and Safety	a) Non compliance with H&S Legislation - legal action/penalties	2	High	SR	2012-13				
Webrisk	a) Poor use of information	2	Medium	SR	2008-09				
General Ledger (managed audit)	a) Inaccurate information for management decisions b) Budgets exceeded c) Qualified accounts	2	Medium	KFS	2014-15	12	12	12	36
Asset Management Strategy	a) Non compliance with legislation, b) Mis mgt of asset portfolio	2	Medium	SR	2005-06	15			15
Fixed Asset Register	a) Non compliance with accounting standards b) Qualified Accounts	2	Low	SR	2010-11		15		15
Budget Monitoring	a) Inaccurate Information b) poor decision making	2	High	SR	2014-15				
MTFS (to incorporate Business Rates estimating and profiling)	a) Council's financial targets are not realised b) Budget pressures c) Increases in Council Tax	4	High	SR	2013-14				
Treasury Management (managed audit)	a) Inappropriate cashflow decisions - income not maximised b) Legislation/Internal polices not complied with	2	Low	KFS	2014-15	12	12	12	36
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	2010-11			15	15
VAT	a) Non compliance with Revenues & Customs requirements - financial penalties	2	Medium	OR	2013-14				

Internal Audit Work Programme - 2015-18

	Key risks to be covered	Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
Accounting for LA Joint Arrangements	a) Governance arrangements have not been established to oversee the accounting service being provided by reading. b) The basis of the joint arrangement has not been reviewed to see if it is still fit for purpose c) Financial information provided is not timely or accurate to be able to effectively manage each of the joint	2	Low	OR	New				
Commercial Rents	a) Non compliance with legislation, b) Loss of income/increased void periods, c) Misappropriation of leases	3	High	OR	2013-14				
Total						54	59	39	152
Head of HR									
Recruitment (process)	a) Delays in appointing staff - disruption to service delivery b) Non compliance with employment legislation C) CRB failure	2	High	AFW/SR	2012-13				
Absence Management	a) Council's sickness policy not being adhered to b) Inaccurate information for performance management	2	High	SR	2011-12		15		15
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	Low	SR	2007-08				
Staff Training and Development (Corporate and Professional Training - across whole Council)	a) Failure to develop staff in accordance with good practice b) Failure to inform new employees of legislation, key corporate policies and procedures they need to be aware of adhere to c) VFM/cost effectiveness not taken into account within services when making spending decisions	1	Low	SR	2014-15				
Total							15		15
Head of Legal Services									
Legal Services	a) The collaborative agreement is not being effectively recorded/monitored b) Terms of the joint agreement are not being adhered to c) The service fails to retain its quality standard accreditation	2	Medium	OR	2010-11				
Contract letting	a) Non-compliance with Contract rules of Procedure b) Non compliance with EU legislation (Remedies Directive) c) Corruption	3	High	ACW	2014-15				
Contract monitoring	a) Non-compliance with Contract rules of Procedure b) Contract spec not met c) Contract costs exceeded	3	High	SR	2007-08	20			20
total						20			20

Internal Audit Work Programme - 2015-18

	Key risks to be covered	Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
Head of Strategic Support									
Service Planning/targets and performance management	Service Delivery / intervention / legal obligations / performance indicators / linkages to Timelord	4	Medium	SR	2013-14				
Equality Impact Assessments	a) Non compliance with national guidance b) Unaware of impact of changes in policy/decisions on local community c) lack of transparency/accountability d) Judicial review overturns decisions	3	Medium	SR	2013-14				
Members expenses	a) Inappropriate payments, b) Over payments on budgets, c) Non compliance with legislation/policies	1	Medium	OR	2014-15				
Complaints / Code of Conduct	a) Ineffective policies and processes in place, b) Non compliance with policies/processes	3	Medium	SR	2012-13				
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	2014-15				
Intranet/Internet/Communication/Publications	a) Ineffective processes and procedures, b) Inappropriate information published - version control.	2	Medium	SR	2011-12				
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	2011-12				
Electoral Services	a) Non compliance with legislation, b) Inappropriate entries on register, c) Incorrect payments/expenditure/charges	2	Low	OR	2005-06	15			15
Land Charges	a) Non compliance with legislation b) Income collection not effective	2	Low	OR	2007-08			15	15
total						15		15	30

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Internal Audit Work Programme - 2015-18

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	Key risks to be covered	Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
Head of Customer Services									
Payroll / PAYE (managed Audit)	a) Ghost employees set up b) Inaccurate payments made c) Inaccurate deductions made	3	High	KFS	2014-15	15	15	15	45
Accounts Payable (managed audit)	a) Inappropriate/fraudulent payments b) budgets exceeded	2	High	KFS	2014-15	15	15	15	45
Accounts Receivable (managed audit)	a) Council's cash flow affected b) Income not maximised	2	High	KFS	2014-15	15	15	15	45
Car Loans & Car Leasing	a) Inaccurate payroll deductions b) Non compliance with Inland Revenue requirements	2	Low	OR	2013-14				
Cash Office	a) Inaccurate processing of income - affecting cash flow decisions b) Fraud/theft c) Accounts could be qualified	2	Medium	AFW	2006-07		15		15
National Non-domestic Rates (managed audit)	a) Non compliance with legislation/local schemes for exemptions b) Income generation/collection not maximised c) Qualified accounts	3	High	KFS	2014-15	15	15	15	45
Housing Benefits (managed audit)	a) Non compliance with legislation b) Inaccurate/inappropriate payments made c) Accounts qualified	3	High	KFS	2014-15	15	15	15	45
Council Tax (managed audit)	a) Non compliance with legislation/local schemes for reductions b) Income generation/collection not maximised c) Accounts qualified	3	High	KFS	2014-15	15	15	15	45
Registrars Service	a) Ineffective budgetary control, b) Insufficient control of income, c) Insufficient control of assets, d) Inappropriate expenditure	2	Low	OR	2014-15				
Total						90	105	90	285

Internal Audit Work Programme - 2015-18

	Key risks to be covered	Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
Head of I.C.T. and Support Services									
I.T. Strategy	a) Does not meet changing needs of the organisation b) Progress not measured/monitored - objectives not achieved	3	Medium	SR	2007-08				
Software licenses	a) Non compliance with legislation (software licenses)	2	Low	OR	2003-04	10			
Change Control Management	a) Inappropriate changes b) Changes do not meet the needs of users c) Changes not operationally effective	3	Medium	OR	2005-06	15			15
Project Management (IT investment)	a) Systems do not meet business/user needs b) Escalation of costs/time to implement	3	High	SR	2006-07		20		20
Post Implementation Reviews (IT investment)	a) Systems do not meet business/user needs b) Escalation of costs/time to resolve system issues	3	Medium	SR	2013-14				
Ensure continuous service (Disaster Recovery for I.T. Service)	a) Contingency plan not in place/not effective - service delivery affected	3	High	SR	2011-12				
PSN Compliance Certificate	a) Non compliance with Government I.T. Security requirements b) Not able to access government data/share data with other government bodies	4	High	SR	2010-11				
Ensure systems security	a) Non compliance with Data Protection Act b) Unauthorised access to data b) data could be amended/destroyed/sensitive data made public	3	High	SR	2011-12				
Manage problems and incidents (help desk)	a) Interruptions to service delivery b) Staff performance adversely affected	3	High	OR	2012-13				
Manage data (File controls)	a) Inaccurate/lost data	3	Low	OR	2004-05				
EDI (BACs)	a) Inaccurate/inappropriate electronic transactions	3	Low	OR	Not audited				
Printing Service (assisting in progressing the VFM work in this area)	a) Inefficient operations b) Delivery targets not met	2	Low	OR	2014-15				
Business Continuity Planning	a)Flu / fire / flood / terrorism / service delivery	3	High	SR	2007-08		20		20
I.T. Asset Management	a) Loss of I.T assets - increased cost on replacement equipment	3	Medium	OR	2007-08			20	20
Facilities Management	a) Poorly maintained facilities, compromised H&S, b) Theft of stock items, c) Ineffective out of hours service	3	Medium	OR	2011-12				

Internal Audit Work Programme - 2015-18

	Key risks to be covered	Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
Superfast Broadband Project	a) Ineffective Contract Management b) Key deliverables not being achieved/achieved as per contract c) External Funding may be withdrawn	4	Medium	OR	2014-15	10	10	10	30
Total						35	50	30	115

Internal Audit Work Programme - 2015-18

	Key risks to be covered	Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
Communities Directorate									
Disclosure and Barring Service	a) Vulnerable adults/children could be put at risk due to the Council Scheme not meeting the requirements of the national guidance and/or local processes have not been established to ensure that backgrounds check are undertaken/recorded and updated.		High	SR	2014-15				
Travel Claims	a) Fraudulent claims b) Inaccurate payments	1	Medium	AFW	2011-12				
total							0		0
Head of Adult Social Care									
Better Care Fund	a) Ineffective governance/communication between parties b) Effectiveness of arrangement not monitored - objectives not achieved/budgets exceeded.	4	High	SR	New	20			20
Care Act (Implementation of national eligibility criteria/carers assessments)	a) Care Act is not adhered to b) Assessments not undertaken timely/ care plans not put in place c) Client's/carers initial needs not met which could result in increased demand on services/budgets.		High	SR	New		20		20
Client Information and support covering services and providers	a) Care Act not adhered to b) Uninformed decisions/lack of choice on care support options which may lead to care plans not being achieved		Medium	OR	New			15	15
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
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				
Assessment of need /Purchase of Care - Respite	a) Legislation is not adhered to b) Inappropriate care packages c) Budgets could be overspent	3	Medium	OR	2012-13				
Resource Centres (3)	Establishment reviews - key risks - budgetary control/appropriateness of expenditure	1	Low	OR	2013-14				
Residential Homes - Elderly (4)	Establishment review - key risks - budgetary control/appropriateness of expenditure	1	Low	OR	2010-11		6		6
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
Assessment/Purchase of Care - Residential	a) Legislation is not adhered to b) Inappropriate care packages c) Budgets could be overspent	3	Medium	ADV	2001-02	15			15

Internal Audit Work Programme - 2015-18

	Key risks to be covered	Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
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	2011-12				
Personal Budgets (Use of payment cards)	a) Legislation/internal procedures not adhered to b) Inappropriate care packages c) Budgets could be overspent	4	High	ADV	New	20			20
Personal Budgets - Direct Payments	a) Legislation/internal procedures not adhered to b) Inappropriate care packages c) Budgets could be overspent	3	High	OR	2013-14				
total						55	46	30	131

Internal Audit Work Programme - 2015-18

Key risks to be covered		Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
Head of Care Commissioning, Housing and Safeguarding									
Client Financial Assessments	a) Non compliance with legislation/Council's policy b) Inaccurate charges calculated c) Ineffective income collection/recovery procedures	3	High	OR	2008-09			20	20
Residents Property (Appointeeship/Deputyship)	a) Misappropriation of client property b) Inaccurate records of level/type of property held c) Non compliance with legislation	2	High	OR	2013-14				
Social Fund Reform (Community Care Grants/Crisis Loans)	a) Grants not awarded in accordance with legislation/Council procedures b) Inappropriate payments made c) Records not up-to-date/accurate	2	Medium	OR	2014-15				
Contract Letting/Management (Including Supporting People) (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) Non compliance with EU legislation (Remedies Directive)	3	High	OR	2001-02	20			20
Common Housing Register / Advice	a) Legislation is not adhered to b) Register not appropriately administered	2	Medium	OR	2009-10		15		15
Homelessness	a) Legislation not adhered to b) Accommodation is not obtained promptly/cost effectively	2	Medium	OR	2011-12				
Renovation Grants/Disabled Facility Grants	a) Grants not awarded in accordance with legislation/Council procedures b) Inappropriate payments made c) Records not up-to-date/accurate	2	Medium	OR	2006-07	15			15
Total						35	15	20	70

Internal Audit Work Programme - 2015-18

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	Key risks to be covered	Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
Head of Education									
Secondary Schools	Review of key risks - budgetary control, income collection, control of assets, school governance	2		Sch	Annual Programme	15	12	12	39
Primary Schools	Review of key risks - budgetary control, income collection, control of assets, school governance	1		Sch	Annual Programme	45	45	45	135
Nursery Schools (2) to include Children's Centres	Review key risks: Compliance with legislation, accurate completion of grant claims	1		Sch	2012-13		3	3	6
Special Schools (2)	Review key risks: Compliance with legislation, budgetary control, control of assets,	1		Sch	2010-11	6			6
Alternative Curriculum	Review key risks: Budgetary control, appropriateness of expenditure	1		OR	2011-12				
Reintegration Service	Review key risks: Budgetary control, appropriateness of expenditure	1		OR	2011-12				
Children's Centres	a) Centres have not been set up in accordance with government guidelines b) governance arrangements between the Centre and	2		OR	New		12		12
Formula funding / DSG	a) Non compliance with legislation, b) Ineffective budget builds	2	High	OR	2009-10			20	20
School Census	a) Submission of incorrect returns, b) Inaccurate funding	1	Medium	OR	2012-13				
Family Support Packages for Disabled Children (to include short	a) Non compliance with legislation, b) Inappropriate packages, c) Overspends on budgets	3	Medium	OR	2009-10				
School Admissions Policy	a) Non compliance with legislation, b) Unsuitable school offers, c) Invalid admissions data	2	High	OR	2009-10				
Home to School Transport Entitlement	a) Employment of inappropriate individuals, b) Misallocation of free transport,	2	Low	OR	2008-09			15	15
Safeguarding in Schools	a) Schools are not adequately supported/trained by WBC	2	High	OR	2008-09		15		
Nursery Provision - central review	Review key risks: Compliance with legislation, accurate completion of grant claims	1	Low	OR	2010-11				
After Schools Clubs	a) Non compliance with government targets/legislation, b) Misuse of grant funds, c) Activities are not effectively monitored	3	Medium	OR	2007-08		15		15
Special Education Needs and Disability (SEND)	a) Not meeting requirements of the new legislation/guidance b) Expenditure may not be effectively monitored	3	Medium	OR	New	20			20
School Library and Museum Services (Joint arrangement)	a) Contract not effectively monitored b) Service not meeting client needs c) Value for money not obtained	2	Medium	OR	2014-15				
Connexions	a) Contract not effectively monitored b) Service not meeting client needs c) Value for money not obtained	2	Low	OR	Not audited				

Internal Audit Work Programme - 2015-18

	Key risks to be covered	Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
Resource Units (7)	Review key risks: Compliance with legislation, budgetary control, control of assets.	1	High	OR	2011-12		5		5
Adult Education	a) Non compliance with legislation, b) Non achievement of targets and standards, c) Overspends on budgets	2	Low	OR	Not audited				
Building Maintenance	a) Ineffective maintenance programme, b) Non compliance with legislation (internal, H&S, EU tendering policies)	3	High	OR	2014-15				
Property Database - Assessment of implementation of phase 1	a) System does not meet the defined outcomes for phase 1 b) Data is not up-to-date/inaccurate which could lead to incomplete/inaccurate system reports and inappropriate	2	High	OR	2015-16	15			
Asset 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
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	2011-12			20	20
total						121	107	115	343

Internal Audit Work Programme - 2015-18

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Key risks to be covered		Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
Head of Children's Services									
Castlegate	Review of key risks: Budgetary control, control of assets & cash, appropriate expenditure.	1	Medium	OR	2010-11		5		5
Assessment of Need/Purchase of care - Residential	a) Non compliance with legislation, b) Inappropriate packages, c) Overspends on budgets	3	High	OR	2008-09				
Assessment of needs/Purchasing Care - Respite	a) Legislation is not adhered to b) Inappropriate care packages c) Budgets could be overspent		High	OR	2013-14				
Assessment & collection of client contributions	a) Non compliance with legislation, b) Incorrect assessments, c)	3	Medium	OR	2011-12				
Adoption - Recruitment, Placement and Allowances (Shared Service Arrangement)	a) Non compliance with legislation, b) Ineffective procedures to monitor the shared arrangement	3	Low	OR	Not audited			15	15
Guardianship/Residence Orders	a) Non compliance with legislation, b) Incorrect/inappropriate payments, c) Overspends on budget	2	Low	OR	Not audited	15			15
Turnaround Families Programme	a) Non compliance with requirements of the scheme b) Ineffective procedures to monitor and track outcomes c) Lack of evidence to validate grant payments claimed	3	Medium	OR	2014-15	10	10	10	30
Payment of Carers (foster carers)	a) Non compliance with legislation, b) Incorrect/inappropriate payments, c) Overspends on budget	2	Medium	OR	2012-13				
S17 - Payment of Support Costs/Allowances	a) Non compliance with legislation, b) Incorrect/inappropriate payments, c) Overspends on budget	2	Medium	OR	2014-15				
Child Care Lawyers (joint arrangement with Berkshire Authorities	a) Incorrect submission of charges by WB, b) Ineffective communication with Children's' services, c) Cases wrongly undertaken by WB, d) Costs incorrectly calculated	2	Medium	OR	2004-05		15		15
Unaccompanied Children - Asylum Seekers	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
Agency Staff	a) Non compliance with legislation, b) Inappropriate people recruited	2	Medium	OR	2008-09			15	15
Child Protection Conferencing Processes	a) Inappropriate arrangements in place, b) Non adherence to guidance, legislation.	2	Medium	OR	2010-11				

Internal Audit Work Programme - 2015-18

	Key risks to be covered	Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
Youth Centres (3)	Review of key risks: Budget monitoring, control of expenditure, collection of income, security of assets	1	Low	OR	2010-11				
Area Teams (2 teams - Youth Services)	Review of key risks: Budgetary control, control of assets & cash, appropriate expenditure.	1	Low	OR	Not audited				
Offsite Activities - review of external provision of service	a) Non compliance with legislation, b) Poor risk assessment c) Inappropriate activities undertaken	1	Medium	OR	2005-06		20		20
Supervision compliance checks	a) Non compliance with the Service's management processes b) ineffective performance management of staff and/or poor caseload monitoring and management	1	Medium	OR	2013-14				
Quality Assurance system	a) Service quality requirements are not being met and this is not highlighted/rectified which could result in service outcomes not being achieved b) Council criticised/legal action taken for not meeting duty of care	1	Medium	ADV	2014-15				
total						40	50	40	130

Internal Audit Work Programme - 2015-18

	Key risks to be covered	Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
Environment Directorate									
Travel Claims	a) Fraudulent claims b) Inaccurate payments	1	Medium	AFW	2010-11				
total						0	0		0
Head of Culture and Environmental Protection									
Clean and Green agenda	a) Failure to deliver change b) failure to deliver cost savings	4	Medium	SR	2012-13				
Waste Management and disposal PFI	a) Ineffective contract management resulting in increased costs/service quality issues b) Recycling initiatives not being met	4	High	SR	2014-15			20	20
Environmental Health Joint Arrangement covering:-	a) Non compliance with terms of the joint arrangement b) ineffective monitoring of quality of service provision and costs	3	Medium	OR	New	20			20
Contract Management Service requests for intervention					New 2002-03				
Health and Safety Taxi Licensing Licensing Reform					2002-03 2008-09 2012-13				
Trading Standards - Joint Arrangement covering:-	a) Non compliance with terms of the joint arrangement b) ineffective monitoring of quality of service provision and costs	3	Medium	OR	2013-14				
Contract Management Purchase/Disposal of samples Service requests for intervention Food Safety and Standards					2013-14 2013-14 2013-14 2013-14				
Leisure Centre Management	a) Non compliance with legislation, b) Ineffective contract monitoring and management	3	High	OR	2009-10	20			20
Museums (1)	Review of key risks: Budgetary control, control of assets & cash, appropriate expenditure.	1	Low	OR	2004-05			8	8
Archaeology	a) Non compliance with legislation and government guidelines, b) Ineffective communication between services	2	Low	OR	2011-12				
Tourist Information Centre	Review of key risks: Budgetary control, control of assets & cash, appropriate expenditure.	1	Low	OR	2010-11				
Berkshire Archive Service	a) Non compliance with terms of the joint arrangement b) ineffective monitoring of quality of service provision and costs	2	Medium	OR	2008-09			15	15

Internal Audit Work Programme - 2015-18

	Key risks to be covered	Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
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	2014-15				
Libraries Income	a) Loss of stock is not reimbursed, resulting in additional expenditure b) Income collection not maximised	3	Medium	OR	2010-11			15	15
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		15		15
Adventure Dolphin & Outdoor Youth Activity	Review of key risks: Budgetary control, control of assets & cash, appropriate expenditure.	1	Medium	OR	2011-12				
total						40	15	58	113

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Key risks to be covered		Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
Head of Highways and Transport									
Structural Maintenance / Engineering	a) Non compliance with legislation, b) Ineffective maintenance programme	3	Medium	OR	2012-13				
Major Road Repairs (Projects)	a) Projects/schemes targets not met, b) Non compliance with internal policies, plans		Medium	OR	Not audited	20			20
Traffic Management	a) Projects/schemes targets not met, b) Non compliance with internal policies, plans	3	Low	OR	2013-14				
Highway Term Contract (excluding major road projects)	a) Non compliance with H&S legislation, b) Ineffective contract monitoring, c) Non compliance with policies	2	High	OR	2011-12			20	20
Home to School Transport / CRB checks	a) Employment of inappropriate individuals, b) Misallocation of free transport, c) contracts for transport	3	High	OR	2014-15				
Electrical (including Street Lighting)		2	Medium	OR	Not audited		15		15
Street Naming/numbering	a) Income not maximised, b) Misappropriation of funds	2	Low	OR	2004-05				
Concessionary Fares / Bus Passes	a) Fraud/theft, b) Non compliance with regulations	2	Medium	OR	2014-15				
Parking	a) Non compliance with legislation, b) Loss of income c) Fraud/theft	3	High	OR	2013-14			20	20
Fleet Management	a) inefficient or inappropriate use of vehicles b) Ineffective contract management c) health and safety issues re roadworthiness of	3	High	OR	2010-11	20			20
Public Transport	a) Ineffective contract management resulting in poor quality of service/vfm not achieved/health and safety issues due to inappropriate drivers or vehicles being used.	2	Medium	OR	New		20		20
total						40	35	40	115
Head of Planning and Countryside									
Enforcement	a) Planning Legislation is not adhered to b) Management information is not up-to-date/accurate	2	Low	OR	2010-11				
Community Infrastructure Levy (CIL)	a) Planning Legislation/local schemes are not adhered to b) Policy targets are not met c) Corruption d) Income is not maximised	4	High	OR	New		20		20
Building Control	a) Building Control Regulations are not adhered to b) Income is not maximised	2	high	OR	2014-15				
Grounds Maintenance Con.	a) Contract specification is not met b) Inappropriate/inaccurate payments could be made	2	Medium	OR	2010-11	15			15

Internal Audit Work Programme - 2015-18

Key risks to be covered	Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
Management of Parks and Commons - a) Non compliance with terms of the joint arrangement/ineffective Partnership Arrangement monitoring of service provision	2	Medium	ADV	New		15		15
total					15	35		50

Internal Audit Work Programme - 2015-18

Key risks to be covered

	Complexity (Using a scale of 1-4, 1 being least complex)	Risk Assessment Category	Audit Type	Date last audited	2015-16	2016-17	2017-18	TOTAL Days 2015- 2018 Est
Other Chargeable work (non service specific)								
Preparation of the audit plan/school visit programme					10	10	10	30
Monitoring the audit plan/school visit programme					12	12	12	36
Liaison with Portfolio Members Governance and Audit Committee updates					5	5	5	15
Audit Follow-ups					3	3	3	9
Audit Advice					80	80	80	240
School advice					20	20	20	60
SFVS Monitoring					10	10	10	30
External Professional Liaison					5	5	5	15
Total					150	145	145	440
Contingencies					80	100	100	280
Total					80	100	100	280
Planned Audit Days total					860	827	772	2,459

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Appendix C - INTERNAL AUDIT REPORTING PROTOCOL April 2013

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 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

Appendix C - INTERNAL AUDIT REPORTING PROTOCOL April 2013

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 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

Appendix C - INTERNAL AUDIT REPORTING PROTOCOL April 2013

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

5.1 The Chief Internal Auditor will provide the Committee, on a half yearly basis with a report that will summarise the results of completed audits and follow up audits.

5.2 Where an audit is categorised as weak or very weak a 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.

5.3 Where a follow up is classed as unsatisfactory then again written comment and response will be provided. In addition the Head of Service will normally be asked to attend the Governance and Audit Committee to outline the reasons for the failure to implement the agreed action plan and answer Members questions on the audit.

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 Chief Internal Auditor.

6.3 The role of the Portfolio Holder in the audit process is to:

Appendix C - INTERNAL AUDIT REPORTING PROTOCOL April 2013

- Feed in any issues of concern at the start of the audit so that these can be considered by the auditor in scoping the review.
 - Support the relevant Head of Service in considering weaknesses identified during the audit and action plans proposed by the auditor at the conclusion of the audit
 - Support the Head of Service in implementing agreed action plans
- 6.4 The lead auditor is responsible to the Chief Internal Auditor for managing the audit in compliance with the “Public Sector Internal Audit Standards”. Responsibility for the content of the resulting audit report will remain with the relevant lead auditor and the Chief Internal Auditor.
- 6.5 The Head of Finance as s151 Officer has overall responsibility for ensuring that the Internal Audit service complies with the “Public Sector Internal Audit Standards”.

Reporting arrangements

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

Reporting arrangements

Client	Terms of reference	Rough Draft Report	Formal Draft Report	Final Report	Follow-up details
			The Chief Internal Auditor will decide on the necessity to issue a report at this level.		
Relevant Portfolio Member	All cases		If the Portfolio member for the service has expressed an interest when the TOR have been issued.	All reports	All Cases
Chief Internal Auditor	All cases		All cases	All cases	All Cases

Reporting arrangements

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
Chief Internal Auditor	All cases		Relevant 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 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).

Reporting arrangements

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	None issued			All cases
Chief Internal Auditor	None issued		All Cases	All cases

Agenda Item 6.

Title of Report:	Members ICT Protocol 2015
Report to be considered by:	Governance and Audit Committee on 27 April 2015 Council on 19 May 2015
Forward Plan Ref:	C2984

Purpose of Report: To seek approval for an updated Members ICT protocol.

Recommended Action: To approve the attached Members ICT Protocol 2015.

Reason for decision to be taken: The WBC ICT facilities to be provided for Members after the 2015 elections have changed so the protocol for using this equipment has been updated to reflect these changes.

Other options considered:

Key background documentation: West Berkshire Council ICT Policy and ICT User Usage Agreement

Published Works:

The proposals contained in this report will help to achieve the following Council Strategy priority(ies):	
<input type="checkbox"/>	CSP1 – Caring for and protecting the vulnerable
<input type="checkbox"/>	CSP2 – Promoting a vibrant district
<input type="checkbox"/>	CSP3 – Improving education
<input type="checkbox"/>	CSP4 – Protecting the environment
The proposals will also help achieve the following Council Strategy principle(s):	
<input type="checkbox"/>	CSP5 - Putting people first
<input type="checkbox"/>	CSP6 - Living within our means
<input type="checkbox"/>	CSP7 - Empowering people and communities
<input type="checkbox"/>	CSP8 - Doing what's important well
The proposals contained in this report will help to achieve the above Council Strategy priorities and principles by:	

Portfolio Member Details	
Name & Telephone No.:	Councillor Roger Croft - Tel 07765 224249
E-mail Address:	rcroft@westberks.gov.uk
Date Portfolio Member agreed report:	25 March 2015

Contact Officer Details	
Name:	Kevin Griffin
Job Title:	Head of ICT & Corporate Support
Tel. No.:	01635 519292
E-mail Address:	kgriffin@westberks.gov.uk

Implications

Policy:	The protocol referred to in this report is included in the Council's Constitution and the requirements of the Code of Conduct , Appendix D to Part 13 (Codes and Protocols) will apply to the protocol.
Financial:	None
Personnel:	None
Legal/Procurement:	None
Property:	None
Risk Management:	None
Corporate Board's Recommendation:	To provide a more detailed explanation in the covering report (this paper) regarding the aims of the new Members ICT.

Is this item relevant to equality?	Please tick relevant boxes	Yes	No
Does the policy affect service users, employees or the wider community and:			
• Is it likely to affect people with particular protected characteristics differently?		<input type="checkbox"/>	<input type="checkbox"/>
• Is it a major policy, significantly affecting how functions are delivered?		<input type="checkbox"/>	<input type="checkbox"/>
• Will the policy have a significant impact on how other organisations operate in terms of equality?		<input type="checkbox"/>	<input type="checkbox"/>
• Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics?		<input type="checkbox"/>	<input type="checkbox"/>
• Does the policy relate to an area with known inequalities?		<input type="checkbox"/>	<input type="checkbox"/>
Outcome (Where one or more 'Yes' boxes are ticked, the item is relevant to equality)			
Relevant to equality - Complete an EIA available at http://intranet/EqIA			<input type="checkbox"/>
Not relevant to equality			<input type="checkbox"/>

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 Management Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>
Report is to note only		<input type="checkbox"/>

Executive Summary

1. Introduction

- 1.1 A new Members ICT solution has been devised and piloted over 6-months with 12 Council Members.
- 1.2 This system will, following the May 2015 elections, replace the ageing laptop-based solution that the Members have used since May 2007.
- 1.3 The new Members ICT solution uses tablet computer running Microsoft Windows 8.1 and Office 365.
- 1.4 Members' use of their ICT equipment to access WBC's information and systems is governed by a Members ICT Protocol, which is included as an appendix to the Council's constitution. As the Members ICT solution has changed it has been necessary to reflect these changes in an updated protocol which is attached as Appendix A to this report.

2. Proposals

- 2.1 It is proposed that the updated Members ICT protocol (attached at Appendix A) be approved and included in the Council's constitution and that the requirements of the Code of Conduct, Appendix D to Part 13 (Codes and Protocols) will apply.

3. Equalities Impact Assessment Outcomes

- 3.1 Any Member with a disability requiring changes or adaptations to the setup of their tablet computer, or associated software or systems, may request these via the WBC ICT Help Desk.

4. Conclusion

- 4.1 The revision of this protocol mainly concerns the updating of descriptions and information to reflect the changes from a Microsoft Windows XP based laptop solution to a Microsoft Windows 8.1 based tablet solution.

5. Recommendation

- 5.1 That the updated Members ICT Protocol (Attached at Appendix A) be approved.

Executive Report

1. Introduction

- 1.1 West Berkshire Council Members have had Council provided ICT equipment since 2003 which were introduced as part of the Implementing Electronic Government (IEG) initiative. These ICT systems were refreshed and updated in 2007, but Councillors chose not to update after the 2011 elections to avoid unnecessary costs.
- 1.2 The Council conducts much of its business by electronic means, so Members require appropriate modern IT tools to engage effectively with this business. The Members ICT facilities provided are designed to;
- facilitate Members' communication with their peers, Council Officers and with their constituents.
 - provide access to information and data pertinent to their role as a Councillor
 - reduce the dependency on paper-based information for conducting Council meetings
 - be compliant with the Data Protection and Information Security requirements that the Council is bound by, in particular compliance with the Public Service Network (PSN) requirements set by Government.

2. New Members ICT System Overview

- 2.1 The new Members ICT solution replaces the previous laptops with lightweight tablet computer running Microsoft Windows 8.1 (These are described in the Members ICT Protocol attached at Appendix A).
- 2.2 The new system has been piloted with 12 Members and 5 officers as shown in the tables below.

User (Members)	Role
Cllr. Keith Chopping (Conservative)	Executive Member
Cllr. Hilary Cole (Conservative)	Executive Member
Cllr. Roger Croft (Conservative)	Deputy Leader, Portfolio holder for ICT & CS
Cllr. Marcus Franks (Conservative)	Executive Member
Cllr. Alan Law (Conservative)	Executive Member
Cllr. Gordon Lundie (Conservative)	Leader of the Council
Cllr Roger Hunneman (Lib Dem)	Liberal Democrat Deputy Leader
Cllr Graham Jones (Conservative)	Vice Chairman of the Council
Cllr Mollie Lock (Lib Dem)	Shadow Executive Member
Cllr. Royce Longton (Lib Dem)	Shadow Executive Member
Cllr Alan Macro (Lib Dem)	Shadow portfolio holder for ICT
Cllr Graham Pask (Conservative)	Executive Member

User (Officers)	Role
John Ashworth	Corporate Director Environment
Nick Carter	Chief Executive
Gillian Durrant	Lib Dem Group Executive
Robin Steel	Conservative Group Executive
Rachael Wardell	Corporate Director Communities

2.3 The pilot started in October 2014 and is continuing. At the Members ICT project Board meeting of 3rd March 2015 it was agreed that this solution was suitable for rollout to all 52 of West Berkshire Council's Members, following the 2015 elections.

3. Changes Made to this Protocol

3.1 The members ICT Protocol was first drafted and agreed in 2006 and has been revised several times and the current iteration is Version 7. Changes made in the latest update are listed below;

- All descriptions and diagrams of ICT equipment updated to reflect new systems
- Section on members allowances removed
- Statements referring to using non-WBC equipment to access WBC information removed, as this access is now disallowed under Government PSN rules
- Paragraph added to Security Requirements section explaining that WBC systems and data should only be accessed from WBC supplied equipment
- ICT Support section updated to include ICT Help Desk opening hours
- List of Contacts updated (Also renamed to Useful Contacts)

4. Conclusions

4.1 New Members ICT facilities have been designed that will address many of the issues and complaints associated with the ageing systems they replace.

4.2 These new facilities have been piloted with a cross-section of WBC council Members over a 6-month period and mostly have been well received by those pilot users.

4.3 The protocol, previously approved, has been updated to reflect the changes made to the ICT solution provided to Members.

5. Recommendations

5.1 That the updated Members ICT Protocol be approved

Appendices

Appendix A - Members ICT Protocol 2015

Consultees

Local Stakeholders: All WBC Council Members, Strategic Support Members Support staff, ICT support staff

Officers Consulted: Andy Best, Mike Dufield, Moira Fraser and Corporate Board

Trade Union: *

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Project Title:	Members ICT 2015
Project Sponsor:	Kevin Griffin

INTRODUCTION	
<p>Executive Summary: (Overview of the project)</p>	<p>Background</p> <p>West Berkshire Council Members have had Council provided ICT equipment since 2003 which were introduced as part of the Implementing Electronic Government (IEG) initiative. These ICT systems were then refreshed and updated in 2007, but have not been updated since then.</p> <p>This project will refresh / replace the Members ICT equipment in time for deployment after the May 2015 elections.</p>
<p>Requirement: (Explain how the current situation has developed, creating the need for the project)</p>	<p>Members ICT facilities provided are designed to;</p> <ul style="list-style-type: none"> • facilitate Members' communication with their peers, Council Officers and with their constituents • provide access to information and data pertinent to their role as a Councillor
<p>Drivers: (State the project drivers such as response to demand, planned/routine upgrade or statutory requirement)</p>	<p>The existing Members ICT equipment is old, failing, and slow by current standards. Members laptops are well overdue for replacement based on the Council's usual refresh period of 5-years.</p> <p>Existing Members equipment uses Windows XP which is no longer supported by Microsoft, nor is it compliant with the security standards the Council is required to adhere to namely the Public Services Network (PSN), which could affect our PSN accreditation status and/or pose an information security risk.</p> <p>The current Members ICT solution has become unpopular, and is perceived to be cumbersome by many Members; consequently many aspects of the solution are unused, or rarely used, by many Members.</p> <p>The Council conducts much of its business by electronic means, so Members require appropriate modern IT tools to engage effectively with this business.</p> <p>Council meetings are frequently paper-based involving the printing of large reports, which consume resources and are frequently couriered to Members homes. A 21st century solution would seek to replace these paper-based processes as much as possible with an electronic 'paperless' alternative.</p>
<p>Corporate Plan and Service Plan: (State how the projects outcomes align with corporate priorities)</p>	<p>CSP4 – Protecting the Environment: This project may reduce the Council's paper usage by facilitating less paper meetings.</p> <p>CSP8 – Doing what's important well: The new Members ICT equipment should allow Members to keep in touch with important Council matters and information.</p>

PROJECT AIMS	
<p>Objectives: (Describe Service outcome and quantifiable and qualitative benefits)</p>	<ol style="list-style-type: none"> 1. To determine what ICT equipment Members require to work effectively. 2. To provide a modern, 'fit for purpose' Members ICT solution to replace their aging laptops and to address issues with the current technology. 3. To provide secure access to selected WBC back-office systems that may be required by Members. 4. To provide an ICT capability that will facilitate the reduction of printed material required by Members in meetings. 5. To develop an ICT solution(s) for Members that could also be deployed to Council Officers with minimal changes. 6. To develop an ICT solution that can allow Members some degree of personal ICT use without compromising the Council's security. (eg: The installation of their own private software for personal use)
<p>Scope: (Describe in scope services or systems and note specifically those that are out of scope)</p>	<p>The project scope is envisaged to include;</p> <ul style="list-style-type: none"> • the provision of personal computing equipment including; <ul style="list-style-type: none"> – A tablet device running Microsoft Windows 8.1 and Microsoft Office 2013 – A detachable bluetooth keyboard – A separate Bluetooth mouse pointing device • the ability to access WBC systems and information including; <ul style="list-style-type: none"> – WiFi and/or 4G networks – the internet – West Berkshire Council email – the West Berkshire Council Intranet – West Berkshire file storage (H: Drives, G: Drives, S: Drive) – West Berkshire Council Printing facilities – Members Web Pages – meeting agendas and supporting papers • increasing Wi-Fi coverage in WBC corporate buildings • the implementation/enhancement of back office systems to support the new solution including; <ul style="list-style-type: none"> – Security/encryption/mobile device management (MDM) – Directory Services – Email – Printing • the development of appropriate documentation and training materials • the delivery of user training • • ongoing support of Members <p>This scope is subject to change based upon learning during to pilot phase.</p> <p>Out of scope The new solution will no longer provide;</p> <ul style="list-style-type: none"> • personal printers for individual members • the default provision of BlackBerry smartphones for Executive Members

<p>Benefits: (Explain the business benefits to the Organisation, Community, Partner links and Corporate priorities)</p>	<p>The project is designed to deliver the following benefits;</p> <ul style="list-style-type: none"> • All Members will receive personal equipment (tablets) that represent an improvement on the laptops they replace because they are lighter, faster, easier to use, more flexible and have long battery life • Members will have the ability to connect to Council systems via improved wi-fi coverage across WBC corporate building, or via public or private wifi when at other locations • The new facilities will be flexible as well as secure and will be PSN compliant • The new facilities should enable Council meeting to be run with less/no paper
<p>Efficiency Savings: (Provide a cost breakdown of expected financial benefits)</p>	<p>Potential savings:-</p> <ul style="list-style-type: none"> • Reduced costs compared to the current Members ICT solution (Around £5,000pa): If it is accepted that Member require WBC provided ICT equipment to fulfil their roles and that their current laptops need to be replaced with a modern equivalent then there is a potential saving of 52x £100 due to the reduction of Citrix licences (The cost of tablet computers vs laptops is largely cost neutral) • Printing (Up to £29kpa): Member meeting and Committee meeting printing is commissioned by the Strategic Support Service. Based on 2013/14 whole year figures, it is estimated that the 2014/15 total Print Room printing costs for Strategic Support will total between £23k and £29k. £29k would therefore represent the maximum saving per annum achievable if Members could switch to a totally 'paperless' environment. • Members Allowances (Up to £10,400pa): Members can each claim up to £200pa to assist with their home printing costs – ink/toner/paper. Therefore a theoretical maximum of £200 x 52 Members = £10,400pa could be saved if the Members printing allowances were to be abolished. • Courier Savings (Up to £7,800pa): There is currently one Courier run to Members each week. The courier team is made up of voluntary and casual staff; and the vans are on a lease agreement. If the once-a-week courier run was deemed unnecessary, then estimated savings for staff costs and fuel could amount to £150 x 52 = £7,800pa. • BlackBerry Savings (around £1,900pa): The Executive and one Member of the Shadow Executive (11 people) utilise BlackBerry Smartphones incurring costs of £36-£50 per quarter (around £170 pa per BlackBerry). If all these devices were deemed unnecessary, then the savings would amount to 11 x £170 = £1870pa.
<p>Consequences of Not Delivering Project: (If project delayed or not approved/delivered)</p>	<p>If this project is not delivered;</p> <ul style="list-style-type: none"> • Members may not be able to be completely effective in their roles • The Council will potentially be non-compliant with PSN Information Security requirements
<p>Opportunities: (Additional opportunities arising from the project)</p>	<p>The technologies/solution piloted for Members may also, when suitably adapted be beneficial to Council officers.</p>

PROJECT DETAILS (Estimated)																											
<p>Outline Plan: (Key elements of the project with options)</p>	<ol style="list-style-type: none"> 1. Initial research / Preliminary activities / Deliver dependent projects 2. Determine / Consult on favoured solution(s) 3. Pilot testing 4. Pilot feedback / Modify solution 5. Prepare for live deployment 6. Live deployment / training 7. Closure/review 																										
<p>Timescales: (Start/End dates with milestones if appropriate)</p>	<table border="1"> <tr> <td>Project Start:</td> <td>June 2014</td> </tr> <tr> <td>Determine Pilot solution:</td> <td>August, 2014</td> </tr> <tr> <td>Phase I Pilot Test¹</td> <td>3rd October, 2014</td> </tr> <tr> <td>Phase II Pilot Test²</td> <td>7th November, 2014</td> </tr> <tr> <td>Phase III Pilot Test³</td> <td>21st November, 2014</td> </tr> <tr> <td>Phase IV Pilot Test⁴</td> <td>12th December, 2014</td> </tr> <tr> <td>Additional Phase IV Pilot Test⁵</td> <td>February, 2015</td> </tr> <tr> <td>Post-Pilot Review</td> <td>End Jan, 2015 Feb, 2015</td> </tr> <tr> <td>Procure equipment / Prepare for rollout</td> <td>April, 2015</td> </tr> <tr> <td>West Berkshire Council Elections</td> <td>7th May 2015</td> </tr> <tr> <td>Rollout to Council Members</td> <td>11th May, 2015</td> </tr> <tr> <td>Solution Review</td> <td>August, 2015</td> </tr> <tr> <td>Formal Project Closure</td> <td>August 2015</td> </tr> </table> <p>¹ Cllr Roger Croft, Cllr Gordon Lundie, Kerry Taylor ² Cllr Roger Hunneman, Cllr Alan Macro, Cllr Graham Jones ³ Cllr Mollie Lock, Cllr Graham Pask ⁴ Nick Carter, John Ashworth, Gillian Durrant, Robin Steel, Rachael Wardell ⁵ Cllr Keith Chopping Cllr Hilary Cole, Cllr Alan Law, Cllr Royce Longton</p>	Project Start:	June 2014	Determine Pilot solution:	August, 2014	Phase I Pilot Test ¹	3 rd October, 2014	Phase II Pilot Test ²	7 th November, 2014	Phase III Pilot Test ³	21 st November, 2014	Phase IV Pilot Test ⁴	12 th December, 2014	Additional Phase IV Pilot Test ⁵	February, 2015	Post-Pilot Review	End Jan, 2015 Feb, 2015	Procure equipment / Prepare for rollout	April, 2015	West Berkshire Council Elections	7th May 2015	Rollout to Council Members	11 th May, 2015	Solution Review	August, 2015	Formal Project Closure	August 2015
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Solution Review	August, 2015																										
Formal Project Closure	August 2015																										
<p>Resources: (Key resources to run the project)</p>	<p>Kevin Griffin: Project Sponsor Mike Duffield: Project Manager Andy Best: Project Assurance / Support Roger Croft: Senior User (Members) Nick Carter: Senior User (Officers) Andy Clarke: Technical Support (Email / AV etc) Simon Arter: Technical Support (Networking) Karen Reddings: Blackberry & Vodafone A/C Management Maira Fraser: Technical Support (Council Meeting Papers etc) Helen Bartholomew: Modern.gov Expertise Robin Steel: Member Liaison / Support Gillian Durrant: Member Liaison / Support Kerry Taylor: Training</p>																										

<p>Known Risks or Issues: (Outline any high level risks or issues which may affect the project's success)</p>	<p>Initial Risks:</p> <ul style="list-style-type: none"> • ICT Key Staff Availability – Always a concern with a busy ICT Service • Scope Creep – With so many High Profile / VIP Stakeholders in a position to influence this project, there is a high risk that more deliverables, or more expensive or more complex outcomes may get proposed during the pilot • All proposed solutions rejected – There is a risk that it is not possible to find a totally acceptable solution that meets all the criteria, so some compromises may be required. • Members' appetite for Change – The ultimate success of the project will depend upon take up of the solution. If some Members do not engage with the project or do not embrace the new ICT solution, the full anticipated benefits will not be realised.
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BUDGETS (Estimated)	
<p>Estimated Project Cost: (Approx total cost)</p>	<p>Initial 'legacy' budget was £46,380. This was revised to £70k following Project Board Discussion on 07/01/2015.</p>
<p>Estimated Revenue Cost: (Approx total cost)</p>	<p>Future revenue cost items include;</p> <ul style="list-style-type: none"> • Mod.gov annual maintenance £3,000pa • Smartphone(BlackBerry) costs if these are retained (up to £1,900pa) • Members allowance claimable items e.g. personal printing costs if these are retained (up to £10,400)
<p>Proposed Project Budget Source: (e.g. Service Budget, Grant Funding, Capital Bid)</p>	<p>Cost Centre: 87285 ICT Capital Programme</p>
<p>Proposed Revenue Budget Source: (Usually the Service Budget. Provide Cost Centre Code)</p>	<p>TBC</p>

RECOMMENDATION	
<p>Recommended Solution: (Recommended solution)</p>	
<p>Other Options Considered: (Describe what other options were considered where appropriate)</p>	
<p>Officers Consulted: (Names and Service unit of officers consulted)</p>	

Prepared by:	Andy Best
Date:	

Approval Signature			
Project Sponsor:	Name:Kevin Griffin	Date:	
	Signature		

Project Sponsor Comments:	
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Agenda Item 7.

Title of Report:	Changes to Governance Arrangements
Report to be considered by:	Corporate Board 07 April 2015 Management Board 23 April 2015 Standards Committee 20 April 2015 Governance and Audit Committee 27 April 2015 Council 19 May 2015
Forward Plan Ref:	C2987

Purpose of Report: To present the recommendation to create a Governance and Ethics Committee in place of the Governance and Audit Committee and Standards Committee.

Recommended Action: 1. To consider a proposal to amalgamate the Governance and Audit and Standards Committees to form the Governance and Ethics Committee and then to make a recommendation to full Council.

Reason for decision to be taken: At the request of Corporate Board

Other options considered: Not to amalgamate the Committees

Key background documentation: West Berkshire Council Constitution
Annual Standards Committee Report

Published Works: Localism Act 2011
Local Government Act 1972
Local Government Act 2000

The proposals will help achieve the following Council Strategy principles:	
<input checked="" type="checkbox"/>	CSP6 - Living within our means
<input checked="" type="checkbox"/>	CSP8 - Doing what's important well
The proposals contained in this report will help to achieve the above Council Strategy principles by:	
Ensuring that the Council's governance arrangements are streamlined	

Portfolio Member Details

Name & Telephone No.:	Councillor Gordon Lundie
E-mail Address:	glundie@westberks.gov.uk
Date Portfolio Member agreed report:	07 April 2015

Contact Officer Details

Name:	David Holling
Job Title:	Head of Legal Services
Tel. No.:	01635 519422
E-mail Address:	dholling@westberks.gov.uk

Implications

Policy:	Will require changes to the Constitution and the terms of reference of the Governance and Ethics Committee if approved.
Financial:	The amalgamation of the two Committees would generate very minor savings (+- £300) arising from a reduction in expenditure on refreshments and Members Travel Allowances. Currently no allowance is paid to the Chairman of either of these Committees.
Personnel:	N/A
Legal/Procurement:	Will require the Constitution to be updated.
Property:	N/A
Risk Management:	N/A

Is this item relevant to equality?	Please tick relevant boxes	Yes	No
Does the policy affect service users, employees or the wider community and:			
• Is it likely to affect people with particular protected characteristics differently?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Is it a major policy, significantly affecting how functions are delivered?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Will the policy have a significant impact on how other organisations operate in terms of equality?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to an area with known inequalities?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
Outcome (Where one or more 'Yes' boxes are ticked, the item is relevant to equality)			
Relevant to equality - Complete an EIA available at http://intranet/EqIA			<input type="checkbox"/>
Not relevant to equality			<input checked="" type="checkbox"/>

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"/>

Executive Summary

1. Introduction

- 1.1 The workload of the Standards Committee has declined over the last few years. Officers have therefore been asked to look into merging the Governance and Audit and Standards Committees of the Council in order to streamline governance arrangements.
- 1.2 In addition The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015 have recently been enacted which require the Council to make changes to the Constitution to include certain provisions relating to the potential dismissal or disciplining of the Head of Paid Service, Monitoring Officer or S151 Officer. As part of the procedural changes required a panel needs to be set up to advise on matters relating to the dismissal of these Officers. The Act requires at least two Independent Persons who have been appointed under section 28(7) of the Localism Act 2011 to be appointed to the panel. The roles of the Independent Persons therefore needs to be updated.

2. Proposals

2.1 It is proposed that:

- The two Committees are merged to form a Governance and Ethics Committee;
- A revised set of terms of reference of the Governance and Ethics Committee be adopted;
- The membership of the revised Governance and Ethics Committee to comprise ten members (eight District Councillors appointed on a proportional basis and two co-opted non-voting Parish/Town Councillors);
- The structure of agendas be arranged so as to ensure that the Parish Councillors would only need to attend the Standards element of the meeting;
- The Advisory Panel and Independent Persons to be retained;
- The role of the Independent Persons be updated to include the requirements set out in The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015;
- Authority be delegated to the Monitoring Officer to amend all relevant parts of the Constitution to reflect the new governance structure;
- Authority be delegated to the Head of Strategic Support to amend the timetable of meetings for 2015/16.

3. Equalities Impact Assessment Outcomes

3.1 This item is not relevant to equality.

4. Conclusion

4.1 Although the merge of the two Committees will not generate significant financial savings this merger will assist the Council with streamlining its governance arrangements. The Governance and Audit Committee is therefore invited to consider and if appropriate endorse Officer's recommendations to combine the

Governance and Audit Committee and Standards Committee to create a Governance and Ethics Committee, as detailed above.

Executive Report

1. Introduction

- 1.1 The Council, in its constitution, delegates its work in relation to challenge and independent assurance of the Risk Management Framework and associated internal control to the Governance and Audit Committee.
- 1.2 At present, the main roles of the Governance and Audit Committee are to challenge and provide independent assurance on the Risk Management Framework and associated internal controls of the Council, consider and make recommendations to the Council on proposed changes to the Constitution, review the Council's financial statements and review the external auditors' annual audit letter.
- 1.3 The Governance and Audit Committee met five times in the 2014/15 Municipal Year. This Committee currently comprises eight Members appointed on a proportional basis.
- 1.4 The main roles of the Standards Committee are promoting and maintaining high standards of conduct by Councillors and co-opted Members; assisting Councillors and co-opted Members, to observe the Members' Code of Conduct; advising the Council on the adoption or revision of the Members' Code of Conduct; monitoring its operation; advising and training Councillors and co-opted Members on matters relating to the Members' Code of Conduct; granting dispensations to Councillors and co-opted Members on requirements relating to interests; ensuring arrangements are in place under which allegations of misconduct in respect of the members' Code of Conduct can be investigated, to review such arrangements appropriately; and to exercise the above in relation to the Parish and Town Councils in the District.
- 1.5 The Standards Committee also has a role in considering and recommending improvements to the relevant sections of the Constitution covering the conduct of Councillors and ethical standards of the Council.
- 1.6 The Standards Committee met five times in the 2014/15 municipal year; the first was to elect the Chairman and vice-Chairman and four subsequent meetings in the main to receive the quarterly Standards Reports. Two of these meetings were held virtually. This Committee currently comprises eight members comprising six District Councillors and two non-voting cop-opted Parish Council representatives. The District Councillors are appointed on a proportional basis.
- 1.7 The number of complaints about Councillors has reduced over the last few years although the workload associated with dealing with and avoiding complaints by Officers is still high. In addition, due to introduction of the revised procedures in 2012, the number of complaints being investigated has reduced significantly. The Standards Committee is only required to consider complaints where the matter has been investigated and a potential breach of the relevant Code of Conduct is identified by the investigator.
- 1.8 Due to the reduced workload of the Standards Committee it is proposed that the Governance and Audit and Standards Committees be merged to create a new Committee to be known as the Governance and Ethics Committee.

- 1.9 Following the enactment of the Localism Act 2011 the Council amended the Standards processes and procedures. The revised governance structures included the appointment of an Advisory Panel and it is proposed that this panel be retained.
- 1.10 Under Section 28 of the Localism Act 2011 the Council has to appoint at least one Independent Person who is consulted before any decision is made to investigate an allegation against any Member of the Council or any Parish Councillor. It is proposed that this arrangement is also retained.
- 1.11 The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015 have recently been enacted which require the Council to make changes to the Constitution to include certain provisions relating to the potential dismissal or disciplining of the Head of Paid Service, Monitoring Officer or S151 Officer. As part of the procedural changes required a panel needs to be set up to advise on matters relating to the dismissal of these Officers. The Act requires at least two Independent Persons who have been appointed under section 28(7) of the Localism Act 2011 to be appointed to the panel. The roles of the Independent Persons therefore need to be updated.

2. Proposed Revised Terms of Reference

- 2.1 The purpose of the Governance and Ethics Committee will be to provide effective challenge across the Council including maintaining high standards of conduct and provide independent assurance on the risk management framework and associated internal control environment to Members and the public, independently of the Executive.
- 2.2 It is proposed that the functions of the Governance and Audit Committee and Standards Committee be combined to create the proposed terms of reference for the Governance and Ethics Committee set out in Appendix A.

3. Membership

- 3.1 It is proposed that, in line with the Governance and Audit Committee, the Governance and Ethics Committee shall consist of ten members comprising eight Councillors, reflecting the political balance of the Council and two co-opted non voting Parish/Town Councillors. The Parish Councillors would only be invited to attend the meeting when Standards matters were due to be discussed. Agendas would be structured so that Standards items would be considered at the start of the meetings in order that Parish Councillors would be able to leave the meetings at that point should they wish to.

4. Independent Persons

- 4.1 Under Section 28 of the Localism Act 2011 the Council has to ensure it has appointed at least one Independent Person who is consulted before any decision is made to investigate an allegation against any Member of the Council or any Parish/Town Councillor. It was agreed at the Full Council meeting on the 27 September 2012 that the Independent Person may be consulted directly either by the person who has made the complaint or the person the complaint has been made about. Two Independent Persons were therefore appointed in order to ensure that a conflict situation did not arise. It is proposed that this arrangement is retained.

4.2 It is proposed that in order to accommodate the requirements of The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015 the role of the Independent Persons be expanded to include a requirement to sit on a panel where the potential dismissal or disciplining of the Head of Paid Service, Monitoring Officer or S151 Officer is discussed. This panel would make a recommendation to Full Council.

4.3 For the avoidance of doubt a person is not considered to be "independent" if:-

- a) They are or have been, within the last five years, an elected or co-opted Member or officer of the Council or of any Parish Council's within this area. This also applies to committees or sub-committees of the various Councils.
- b) They are a relative or close friend of a current elected, or co-opted, Member or officer of the Council or any Parish Council within its area, or any elected or co-opted member of any committee or sub-committee.
- c) The definition of relative includes the candidate's spouse, civil partner, grandparent, child etc.

5. Role of the Advisory Panel

5.1 The membership of the Governance and Ethics Committee would be appointed on a proportional basis. Current legislation excludes independent members and Parish Council representatives from sitting and voting on Standards Committees. The Advisory Panel makes recommendations to Standards Committee in regards complaints and investigations about both District and Parish Councillors.

5.2 It is therefore proposed that the Governance and Ethics Committee would continue to be supported by the Advisory Panel for the following reasons;

- in order to minimise accusations of political bias;
- and as West Berkshire Council has responsibility for dealing with complaints against elected and appointed members of Parish/ Town Councils.

5.3 It is proposed that the current membership of the Advisory Panel comprising eight members be retained. This would include two members of the Administration, two members of the Opposition, two Parish and two Independent members and is chaired by an independent member

6. Savings

6.1 This amalgamation of the two Committees will generate a small saving (refreshments and travel for 4 meetings a year of approximately £300per annum).

8. Conclusion

8.1 The Governance and Audit Committee is invited to consider the Officer's recommendations to combine the Governance and Audit Committee and Standards Committee to create a Governance and Ethics Committee, as detailed above and if appropriate make a recommendation to Full Council.

Appendices

Appendix A – Proposed Terms of Reference of the Governance and Ethics Committee

Consultees

Local Stakeholders: Not consulted

Officers Consulted: Moira Fraser, Andy Day, Sarah Clarke, Joanna Reeves, Ian Priestley, Andy Walker, Corporate Board

Trade Union: Not consulted

Proposed Terms of Reference of the Governance and Ethics Committee

The roles and functions of the Governance and Ethics Committee are to:

1. Consider and make recommendations to the Council on proposed changes to the Constitution.
2. Consider any governance issues emanating from the Government and determine their effect on the Council's business and governance processes.
3. Review the effectiveness of the Council's Risk Management arrangements, the control environment and associated Anti Fraud and Corruption arrangements.
4. Seek assurance that action is being taken on risk related issues identified by auditors and inspectors.
5. Be satisfied that the Council's assurance statements (currently produced annually by all Heads of Service) and the Annual Governance Statement properly reflect the risk environment and any actions required to improve it.
6. Be satisfied that any Partnership that the Council enters into has robust Governance and Risk Management arrangements and that any risk to the Council from the Partnership is minimised.
7. Approve the Internal Audit Strategy and Plan (to ensure that there is adequate coverage) and monitor performance (assessing whether adequate skills and resources are available to provide an effective function).
8. Receive an interim and annual report from the Head of Internal Audit on work undertaken during the year.
9. To consider any issues brought to the attention of the Committee, or Chair and Vice-Chair, by the Chief Internal Auditor at any time during the year.
10. Consider reports of external audit and inspection agencies.
11. Ensure that there are effective relationships between external and internal audit and inspection agencies and other relevant bodies and that the value of the audit process is actively promoted.
12. Review the financial statements, including the suitability of accounting policies and treatments, provisions or adjustments.
13. Review the external auditors annual audit letter, any other reports and opinion and monitor management action in response to issues raised. (Also comment on the external auditors planned work programme.)
14. Promote and maintain high standards of conduct by Councillors and co-opted Members;
15. Assist the Councillors and co-opted Members, to observe the Members' Code of Conduct;

16. Advise the Council on the adoption or revision of the Members' Code of Conduct;
17. Monitor the operation of the Members' Code of Conduct;
18. Advise, train or arrange to train Councillors and co-opted Members on matters relating to the Members' Code of Conduct;
19. Grant dispensations to Councillors and co-opted Members on requirements relating to interests set out in the Members' Code of Conduct;
20. Ensure arrangements are in place under which allegations of misconduct in respect of the members' Code of Conduct can be investigated and to review such arrangements appropriately;
21. Exercise (15) to (21) above in relation to the Parish / Town Councils wholly or mainly in its area and the Members of those Parish / Town Councils;

Advisory Panel

1. The Governance and Ethics Committee shall be supported by an Advisory Panel of eight members comprising 2 members of the administration, 2 members of the opposition, 2 parish council representatives and 2 independent members (who shall not be Independent Persons)
2. The Advisory Panel shall be responsible for dealing with complaints where evidence of breach of the Code has been identified and shall report its findings to Standards Committee for formal decision.
3. The Advisory Panel shall be chaired by an Independent Member
4. The Advisory Panel will report its findings to the (name) Committee for formal decision.

Agenda Item 8.

Title of Report:	Changes to the Constitution - Parts 4 (Council Rules of Procedure), 11 (Contract Rules of Procedure) and 12 (Personnel Rules of Procedure)
Report to be considered by:	Corporate Board 07 April 2015 Management Board on 23 April 2015 Governance and Audit on 27 April 2015 Council on 19 May 2015
Forward Plan Ref:	C2887

Purpose of Report: To review and amend Parts 4 (Council Rules of Procedure), 11 (Contract Rules of Procedure) and 12 (Personnel Rules of Procedure) in light of legislative changes, policy changes and recent government guidance.

Recommended Action:

1. To consider the amendments and any additional changes required and recommend them to Full Council for approval.
2. Authority be delegated to the Monitoring Officer to amend Appendix A to Parts 5 (Executive Rules of Procedure), 6 (Overview and Scrutiny Rules of Procedure) and 7 (Regulatory and Other Committees Rules of Procedure) in line with any changes agreed to Appendix A to Part 4 of the Constitution.
3. To agree that the changes will come into effect on the 20 May 2015.

Reason for decision to be taken: To ensure that the Council has adjusted the scheme in light of legislative and policy changes.

Changes are required to implement consequential effects of the Public Contract Regulations 2015 which came into force on the 26th February 2015.

Changes are required to implement consequential effects of The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015.

To consider a request from Members to decrease the time frame for submitting questions to Council where the questions pertained to an item on the agenda.

Other options considered: Not to agree the changes.

Key background Previous versions of Parts 4, 11 and 12 Of the Constitution

documentation:

Published Works: Public Contracts Regulations 2015
The Local Authorities (Standing Orders) (England)
(Amendment) Regulations 2015

The proposals will also help achieve the following Council Strategy principles:

- CSP7 - Empowering people and communities**
- CSP8 - Doing what's important well**

The proposals contained in this report will help to achieve the above Council Strategy principles by:
Ensuring that the Constitution is up to date

Member Details	
Name & Telephone No.:	Councillor Quentin Webb
E-mail Address:	qwebb@westberks.gov.uk
Date Portfolio Member agreed report:	08 May 2015

Contact Officer Details	
Name:	David Holling
Job Title:	Head of Legal Services and Monitoring Officer
Tel. No.:	01635 519422
E-mail Address:	dholling@westberks.gov.uk

Implications

Policy: Will require changes to Parts 4, 11 and 12 of the Constitution

Financial: S151 Officer at the Finance, Audit & Governance Group approved the amendments to Part 11 of the Constitution

Personnel: Changes are required to comply with new legislation.

Legal/Procurement: Changes are required to take into account and comply with new legislation and to improve working practices.

Property: None

Risk Management: None

Is this item relevant to equality?	Please tick relevant boxes	Yes	No
Does the policy affect service users, employees or the wider community and:			
• Is it likely to affect people with particular protected characteristics differently?		<input checked="" type="checkbox"/>	
• Is it a major policy, significantly affecting how functions are delivered?		<input checked="" type="checkbox"/>	
• Will the policy have a significant impact on how other organisations operate in terms of equality?		<input checked="" type="checkbox"/>	
• Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics?		<input checked="" type="checkbox"/>	
• Does the policy relate to an area with known inequalities?		<input checked="" type="checkbox"/>	
Outcome (Where one or more 'Yes' boxes are ticked, the item is relevant to equality)			
Relevant to equality - Complete an EIA available at www.westberks.gov.uk/eia			<input type="checkbox"/>
Not relevant to equality			<input checked="" type="checkbox"/>

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 Management Commission or associated Task Groups within preceding six months	<input type="checkbox"/>	
Item is Urgent Key Decision	<input type="checkbox"/>	
Report is to note only	<input type="checkbox"/>	

Executive Report

1. Introduction

- 1.1 Following an internal audit of the management of the Constitution in 2010 it was noted that one of the responsibilities of the Finance and Governance Group is to have ownership of the Council's Constitution. The content of the Local Code of Corporate Governance says that there will be an annual review of the operation of the Constitution.
- 1.2 A timetable has been established for the Finance and Governance Group to review individual sections of the Constitution and a number of Officers have been involved in revising specific parts of the Constitution. This report proposes amendments to Parts 4 (Council Rules of Procedure), 11 (Contract Rules of Procedure) and 12 (Personnel Rules of Procedure) in light of legislative changes, policy changes and recent government guidance.
- 1.3 The amendments to Part 11 of the Council's Constitution (Contract Rules of Procedure) are required to implement the Public Contracts Regulations 2015. There are several amendments to Part 11 which are necessary to comply with the Public Contracts Regulations 2015, practices and procedures.
- 1.4 The purpose of Part 11 is to set minimum rules and should not be treated as a guide to Procurement within the Council. It sets out the rules governing contracts in accordance with the aforementioned Act.
- 1.5 Following from the publication of new regulations on local authorities' disciplinary procedures for removing a senior statutory officer, The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015 (SI 2015/881) the Council is required to amend its Constitution in order to incorporate the new arrangements for taking disciplinary action against the most senior council staff. This modification must be made by the first ordinary council meeting held after the 7 May 2015 elections.

2. Part 4 Council Rules of Procedure

- 2.1 The following minor changes have been made to the document by the Finance and Governance Group:
 - Reference to legislation has been updated where appropriate;
 - Typographical errors have been corrected and references to his/her have been removed;
 - Following the removal of the legislative requirement to hand deliver hard copies of the Council agendas to Members' homes the relevant section has been updated;
 - The section on petitions has had a paragraph removed to avoid duplication with the information set out in Appendix C (Process for Dealing with Representations) to Part 13 (Codes and Protocols);
 - Recording of Opposition to a decision has been moved to the section on voting;
 - At the request of a Member the timeframe for submission of public and Member questions relating to an item on the agenda have been extended to

two clear working days before the meeting; Corporate Board supported this timeframe and the Governance and Audit Committee is asked to consider whether or not the change is appropriate.

- Following the introduction of the legislative requirement to record how Members vote on the budget an additional paragraph has been included to deal with this issue.
- Appendix A has been re-written to take into account legislative changes.

The formatting of the report will be corrected once all the tracked changes are agreed.

3. Part 11 Contract Rules of Procedure

3.1 The following minor changes have been made to the document by the Finance and Governance Group

- Updated legislative reference to include the new EU Directives Directive (2014/24/EU, 2014/25/EU & 2014/23/EU) and the Public Contracts Regulations 2015 (the Regulations) in paragraph 11.1.14.
- Guidance and updates to replace the Desktop Procurement Guide. It is intended that general non-specific advice and guidance will be published and updated on the intranet.
- General duty to improve the economic, social and environmental well-being of West Berkshire in paragraph 11.2.3 and 11.2.4, Public Services (Social Value) Act 2012. This came into force on 31 January 2013. It requires commissioners of services to think about how they can also secure wider social, economic and environmental benefits before the start the procuring process. It also encourages the Council when commissioning services to talk to their local provider market or community to design better services, often finding new and innovative solutions to difficult problems. These solutions can include creation of apprenticeships, partnership working with local stakeholders, working with local schools and colleges to develop employability skills that improve employment and social inclusion outcomes.
- Clarity on decision making and delegated powers prior to letting of contracts by reference to thresholds in paragraph 11.4.3 and 11.4.4. This introduces three levels of decision making. Generally all contracts over £500,000, where such contracts have not been approved in the Capital Programme, is a key decision requiring Executive approval. It is recommended that contract wards below £500,000, are delegated to the relevant Head of Service with approval from Corporate Board for contracts above the £100,000.
- Removal of Pre-Qualification Stage (PQQ) stage (11.5.1).

Part 4 of the 2015 Regulations introduces requirements relating to below threshold procurements. The new requirements are driven to make public procurement more accessible to SMEs (an enterprise falling within the category of micro, small and medium-sized enterprises). Under Regulation 111 the Council is not permitted to include a PQQ stage in any procurement where the value of the procurement is below the EU threshold for goods and services (currently £172,514). However if the estimated value is less than

£25,000, then this requirement does not apply. PQQ is unlikely to be necessary or proportionate for contracts below this sum.

- Advertising Requirements.
 - (1) Under the new transparency obligations, the Council is required to publish contract opportunities and award information on the Contracts Finder, where the contract is being advertised. Contracts Finder is a database/ portal run by the Cabinet Office. The threshold for publishing opportunities is £25,000, or standing order limits. The proposal is to set the Council's financial threshold to £100,000, after which it becomes mandatory for Officers to advertise.
 - (2) For contracts below £100,000, the table in 11.5.2 requires at least three invitations to quote to be sought for the market with at least one from a local supplier where appropriate. This change is required to address the impact on resources on running a tender exercise. However this does not mean a tender exercise is prohibited but adds flexibility in operational terms. Invitation to quote will be issued to a limited select group of providers and it is encouraged, where possible, legal and appropriate that these providers are SME (means an enterprise falling within the category of micro, small and medium-sized enterprises) and/or VCSE (means a non-governmental organisation that is value-driven and which principally reinvests its surpluses to further social, environmental or cultural objectives).
 - (3) For contracts above the EU threshold the award opportunities will continue to be published on the Official Journal of the European Union however this information will now need to be mirrored on the Contracts Finder database.
 - (4) The Council's Procurement Portal is interfaced with link to and publish contract opportunities on both the OJEU and the Contracts Finder.
- Paragraph 11.11 on Exclusion and Exceptions
 - (1) This now provides two distinct mechanisms for determining where the requirement to conduct a regulated procurement is either excluded or where it can be excepted.
 - (2) Under 11.11.1 (d) is a new addition which deals with contracts are let under Social Care where procurement may not be appropriate and list the circumstance.
 - (3) The exceptions procedure in 11.11.2 remains largely unchanged.
- Record keeping and reporting requirements under 11.13

The Council is required to record and keep a written report on each contract, framework agreement and dynamic purchasing system entered into under the Regulations.

- (1) The information recorded must include information relating to the following (amongst other):
 - (a) the qualification and selection of tenderers and the award;
 - (b) where applicable, why electronic procurement is not used;
 - (c) the use of the negotiated procedure without a call for competition;
 - (d) how conflicts of interest have been managed; and
 - (e) the non-application of the regulations in certain circumstances.
- (2) The Regulations require the Council to document the progress of all procurement procedures including ensuring sufficient information is kept to justify decisions. This may include:
 - (a) communications with contractors/suppliers; and
 - (b) internal deliberations; and
 - (c) preparation of procurement documents; and
 - (d) any dialogue and negotiation; and
 - (e) selection and award.

Documentation must be kept for three years from the award of the contract.

- Payment obligations under 11.15.5.
 - (1) The Regulations and the Statutory Guidance issued under Regulation 113 requires the Council to pay valid and undisputed invoices within 30 days. The Council is required to consider and verify invoices in "timely fashion". It also requires that any contracts that the Council enter into should also contain provision to impose the requirement of payments within 30 days.
 - (2) The Council is required to publish on the internet each year information on their performance in relation to this including the proportion of invoices paid on time to their first tier contractors. (Regulation 113(7)).
 - (3) In common with other monitoring requirements, this obligation will be monitored by the Cabinet Office's 'mystery shopper' service.
- Currently there is a requirement for the Head of Service when procuring a contract (mainly for works) over £50,000, (11.16.2) to require the contractor to have in place a performance bond in the event of contractor insolvency and non performance. It is proposed that this limit is increased to £500,000. The contractors when procuring these bonds will pass this cost on to the Council as part of their bid and this presents a cost implication.

The formatting of the report will be corrected once all the tracked changes are agreed.

4. Part 12 Personnel Rules of Procedure

- 4.1 The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015 were made on 25th March 2015 and provide that before taking the final decision to dismiss any statutory officer (and not just the Head of Paid Service as now) by full Council, the Council must invite at least two Independent Persons to be members of a Panel, and Council must take into account any recommendation of that Panel before taking a final decision to dismiss.
- 4.2 The Panel must be a committee of the authority and therefore subject to all the legal requirements for committees, including the proportionality rules.
- 4.3 The Council therefore has to modify the Constitution to give effect to the new arrangements. The contracts of the Head of Paid Service, Monitoring Officer and S151 Officer will be updated to reflect these changes.
- 4.4 The Regulations only apply to dismissal of a statutory officer and not to disciplinary action short of dismissal.

5. Proposals

- 5.1 It is proposed that Committee considers and if appropriate recommends the amendments to Parts 4 (Council Rules of Procedure), 11 (Contract Rules of Procedure) and 12 (Personnel Rules of Procedure) to Full Council for approval.

6. Equalities Impact Assessment Outcomes

- 6.1 This item is not relevant to equality.

7. Conclusion

- 7.1 The report is a required update to take cognisance of legislative and policy changes. For the avoidance of doubt the changes will come into effect on 20 May 2015 if approved.

Appendices

Appendix A – Part 4 of the Constitution – Council Rules of Procedure

Appendix B – Part 11 of the Constitution – Contract Rules of Procedure

Appendix C – Part 12 of the Constitution – Personnel Rules of Procedure

Consultees

Local Stakeholders: Not consulted

Officers Consulted: Corporate Board, Andy Day, Sarah Clarke, Robert O' Reilly, Jane Milone, Shiraz Sheikh, Moira Fraser

Trade Union: Not consulted.

West Berkshire Council Constitution

Part 4

Council Rules of Procedure

Document Control

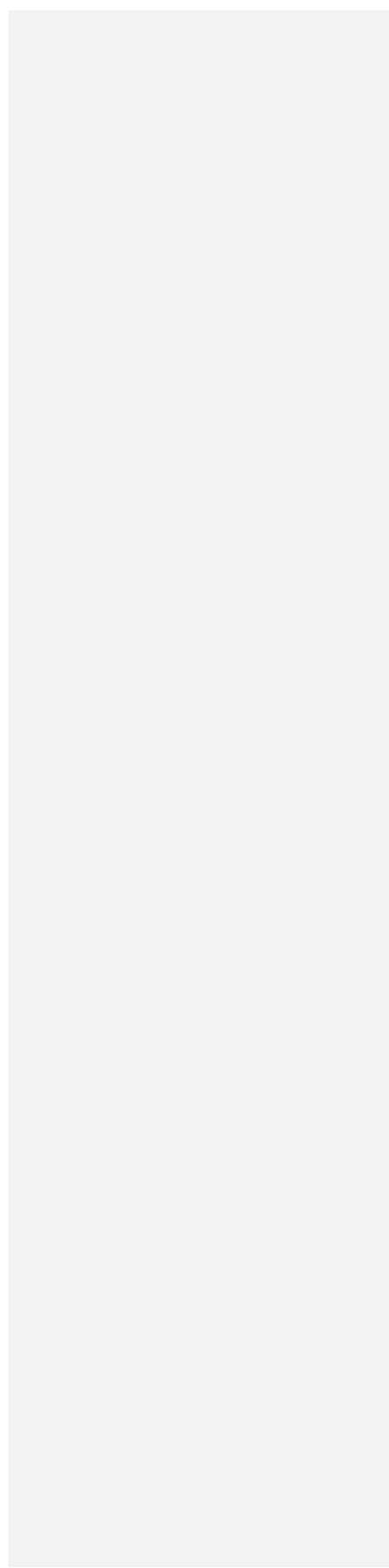
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Author:	Moira Fraser – Democratic Services Manager		
Owning Service	Strategic Support		

Change History

Version	Date	Description
1	23 Sept 2010	Change to paragraph 4.1.3
2	22 Sept 2011	See Council agenda 22 September 2011 for changes
3	April 2012	Changes to whole document to reflect changes as a consequence of Senior Management Review
4	May 2012	Changes arising from the Localism Act 2012
5	Dec 2012	Change to paragraph 4.13.7
6	Dec 2013	Changes to paragraphs 4.2; 4.3.1(h) and (o); 4.6.2; 4.8.1; 4.8.3; 4.9.12(m) and (o); 4.13.7 and Appendix A
Z	March 2015	4.1, 4.2.1, 4.6.2, 4.6.4, 4.6.5, 4.8.2, 4.8.3, 4.9.2, 4.9.5, 4.11.4, 4.12.1, 4.12.2, 4.12.4, 4.13.1, 4.13.7, 4.13.11, 4.13.15, 4.16.3, 4.17.3, 4.17.4 (added), Appendix A



West Berkshire
C O U N C I L



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4.1 Council Meetings

Council meetings will be conducted in accordance with all relevant legislation including the relevant provisions of the Local Government Act 1972, Local Government and Housing Act 1989, the Local Government Act 2000, ~~and~~ the Localism Act 2011 and The Local Authorities (Standing orders) (England) (Amendment) Regulations 2014.

There are three different types of Council meeting:

- (a) Annual Meeting
- (b) Ordinary Meeting
- (c) Extraordinary Meetings.

The rules of procedure for each of these types of meetings is set out below.

4.2 Annual Meeting

In a year when there is an ordinary election of Councillors, the Annual Meeting will take place within twenty one days of the retirement of the outgoing Councillors. In any other year, the annual meeting will take place in May.

4.2.1 Order of Business - Annual Meeting

The order of business at the annual meeting of the Council shall be to:

- (a) elect a person to preside if the Chairman or Vice-Chairman is not present;
- (b) receive apologies for inability to attend the meeting;
- (c) elect the Chairman of Council;

[Note: In accordance with Section 3 of the Local Government Act 1972, the Chairman shall, unless ~~he/she they~~ resigns or becomes disqualified, continue in office until ~~his/her their~~ successor becomes entitled to act as Chairman.]

- (d) appoint the Vice-Chairman of Council;
- (e) approve the Minutes of the last meeting;
- (f) receive any declarations of interest;
- (g) receive any announcements from the Chairman or Head of Paid Service;
- (h) elect the Strong Executive Leader for a four year term following the first ordinary election;
- (i) receive notification from the Executive Leader of the number of Members appointed to the Executive and the Leader to appoint Members to the Executive;
- (j) appoint all Committees the Council considers appropriate to deal with matters which are neither reserved to the Council nor are Executive functions (see rule 4.2.2 – Appointments to Standing Committees);

- (k) decide the size and terms of reference for those Committees;
- (l) decide the allocation of seats to political groups in accordance with the political balance rules;
- (m) receive nominations of Councillors to serve on each Committee and outside body except where appointment to those bodies has been delegated by the Council;
- (n) appoint to those Committees and outside bodies except where appointment to those bodies has been delegated by the Council;
- (o) agree any amendments to the Scheme of Delegation and any amendments to the Constitution;
- (p) approve a programme of Ordinary Meetings of the Council for the year;
- (q) consider any business set out in the notice convening the meeting.

[Note: No Public or Member Questions, Petitions or Motions may be dealt with at the Annual Meeting.]

4.2.2 Appointment to Standing Committees

At the Annual Meeting of the Council or as soon as possible afterwards, the Council shall appoint the following Standing Committees:

- Licensing Committee
- Eastern Area Planning Committee
- Western Area Planning Committee
- District Planning Committee
- Overview and Scrutiny Management Commission
- Standards Committee
- Governance and Audit Committee
- Personnel Committee
- Appeals Panel

The Chairman of Council shall not be elected Chairman or Vice-Chairman of any Standing Committee during their period of office.

4.2.3 Appointment of Other Committees

At any time the Council may appoint such other Committees as are necessary to carry out the work of the Council.

4.2.4 Dissolution

The Council may at any time dissolve or alter the size of a Committee.

4.2.5 Appointment of Members

Where a seat on a Committee, Commission, Panel, Task Group or outside body has been allocated to a political group, the Head of Strategic Support may make an appointment to that seat in accordance with the wishes of the relevant political group.

4.2.6 Sub-Committees

In these Rules of Procedure references to Committees shall include references to Sub-Committees unless the contrary is indicated.

During the course of a Municipal Year each Committee may appoint special Sub-Committees for purposes specified by the Committee and within its own terms of reference. Unless previously discontinued, each Sub-Committee shall cease at the same time as the Committee which appointed it.

Members of the Council may be appointed to serve on a Sub-Committee even though they are not members of the parent Committee.

4.3 Ordinary Meetings

Meetings for the transaction of general business shall be held on such days as the Council decides and as specified in the timetable of meetings.

4.3.1 Order of Business - Ordinary Meetings

The order of business at an ordinary meeting of the Council shall be to:

- (a) elect a person to preside if the Chairman and Vice-Chairman are not present;
- (b) receive apologies for inability to attend the meeting;
- (c) approve the Minutes of the last meeting;
- (d) receive any declarations of interest from Members;
- (e) receive any announcements from the Chairman, Executive Leader, Members of the Executive or the Head of Paid Service;
- (f) deal with business expressly required by statute;
- (g) receive petitions;
- (h) receive written questions from and provide answers to the public in relation to any business of the Council as set out in the Scope of Questions at paragraph 4.12.3;
- (i) deal with any business from the last Council meeting;
- (j) receive reports from the Executive and the Council's Overview and Scrutiny Management Commission or its Sub-Committees and receive questions and provide answers on any of those reports;
- (k) receive reports about and receive questions and answers on the business of joint arrangements and external organisations;
- (l) receive any annual reports of the Overview and Scrutiny Management Commission;
- (m) consider any other business specified in the Summons to the meeting including consideration of proposals from the Executive in relation to the Council's Budget and Policy Framework and reports of the Overview and Scrutiny Management Commission for debate and any reports from Officers;
- (n) consider any Motions;

- (o) receive written questions from and provide answers to Members in relation to matters relating to the business of the Council in accordance with paragraph 4.12.3 (Scope of Questions).

4.4 Extraordinary Meetings

Extraordinary meetings may be convened by the Chairman of Council, the Monitoring Officer or by Members (providing that 25% of eligible Members of the Council present a signed requisition that there is a need to hold an Extraordinary Meeting of the Council). Such a meeting shall be called by the Chairman as soon as is practicably possible but not later than 15 working days from the date that the requisition is presented to the Chairman.

4.4.1 Order of Business - Extraordinary Meetings

The order of business at an extraordinary meeting shall be to:

- (a) elect a person to preside if the Chairman or Vice-Chairman is not present;
- (b) receive apologies for the inability to attend the meeting;
- (c) receive any declarations of interest from Members;
- (d) consider any business specified in the Summons to the meeting.

[Note: No Public or Member Questions, Petitions or Motions may be dealt with at an Extraordinary Meeting.]

4.5 Variation

With the exception of business specified in (a)–(g) of Rule 4.2.1, (a)-(f) of Rule 4.3.1 and (a)-(c) of Rule 4.4.1 above, the order of business may be varied:

- (a) at the discretion of the Chairman; or,
- (b) by a resolution passed on a Motion (which need not be in writing).

[Note: In relation to (b) above items which are deemed to be of public concern can be discussed and debated earlier in the meeting.]

4.6 Meetings of the Council

4.6.1 Adjustment to Dates

In the event that any adjustment to the date of a Council meeting is found to be necessary, the following procedure shall be adhered to:

- The appropriate Proper Officer should contact the Head of Strategic Support or Democratic and Electoral Services Manager to make them aware of the circumstances requiring a change of date.
- Communication should then be undertaken between the Proper Officer (or their representative) and the Group Leaders to articulate the need for the change of date.
- Should the Group Leaders not be available, the Deputy Group Leaders should then be the point of contact.

- The Group Leaders should be asked their views on the proposal. The resultant conversation needs to be recorded in writing, dated and timed. A copy should then be e-mailed to the Group Leaders and made available to the Head of Strategic Support or Democratic and Electoral Services Manager.
- Contact with the Chairman should then be made by the appropriate Proper Officer (or their representative) to articulate the need for the change of date. The Chairman will be given the views of the Group Leaders and will then make a decision on how to proceed.
- The result of that discussion will then be confirmed to the Group Leaders in writing and to the Head of Strategic Support or Democratic and Electoral Services Manager.

4.6.2 Electronic Communication Devices

Members are permitted to use electronic devices at Council meetings. If Members wish to use these devices during meetings they should inform the Chairman who will make it clear to any members of the public attending that this activity is permissible. Members will need to consider whether using a device may distract them from participating and understanding information that is being shared at the meeting prior to a decision being made.

Councillors should however switch their mobile phone or other equipment to silent mode, so that no disruption is caused to proceedings. If, at a Council meeting, a Member's use of an electronic communication device is causing proceedings to be disrupted any Member may move that the Member should desist from using the device. If the motion is seconded it should be put to the vote without discussion.

Members wishing to record meetings will need to do so in accordance with Appendix A to Part 4 (Council Rules of Procedure).

4.6.3 Quorum

The quorum of all Council meetings will be one quarter of the whole number of Members. During any meeting if the Chairman counts the number of Members present and declares there is not a quorum present, then the meeting will adjourn immediately. Remaining business will be considered at a time and date fixed by the Chairman. If the Chairman does not fix a date, the remaining business will be considered at the next ordinary meeting.

4.6.4 Continuation of Meeting

Meetings of the Council should not normally continue past 10.00pm. If however the Chairman believes that business could be concluded by 10.30pm, a Motion under Rule 4.9.12 (i) (Motions which may be Moved without Notice) must be moved and supported by a majority of those Members present. All meetings will conclude by 10.30pm at the latest.

4.6.5 Council Summons

The Head of Strategic Support will give notice to the public of the time and place of any meeting in accordance with the Access to Information Rules of Procedure (Part 8). The Head of Strategic Support will send a Summons ~~by post or email~~ to every Member of the Council, ~~or leave it at their usual place of residence~~, at least five clear working days before a meeting, unless the meeting is convened at shorter notice as a matter of urgency. The Summons will give the date, time and place of the meeting and specify the business to be transacted, and will be accompanied by such reports as are available.

[Note: Clear working days do not include day of agenda despatch or day of meeting.]

4.6.6 Themed Debates

Speakers from outside the Council may be invited to address the Council for themed debates.

4.6.7 Absence of Chairman and Vice-Chairman

If the Chairman and Vice-Chairman of Council are absent from a meeting of the Council, another Member of the Council chosen by the Members of the Council present shall preside.

4.6.8 Powers of Chairman

Any power or duty assigned to the Chairman of Council in relation to the conduct of a meeting may be exercised by the person presiding at the meeting.

4.7 Council Minutes

4.7.1 Approval

The Chairman of Council shall move "that the Minutes of the meeting of the Council held on (date) be signed as a correct record".

4.7.2 Accuracy

Only the accuracy of the Council Minutes may be raised and this may only be done by a Motion which shall propose a change in wording. As soon as any such Motions have been dealt with the Chairman will sign the Minutes.

[Note: Any amendments to the Minutes should be set out in the Minutes of the subsequent meeting and not marked on the original set of Minutes under discussion. However, if the Minutes are amended they should be annotated with the words "These Minutes have been amended".]

4.7.3 Signing Minutes

Minutes shall be submitted to and signed at the next meeting of Council which is not an extraordinary meeting.

4.8 Petitions

4.8.1 Scope of Petitions

Petitions will be dealt with in accordance with Appendix C to Part 13 of the Constitution (Procedure Rules for Dealing with Representations).

4.8.2 Notice of Petitions

Where notice of a petition is given to the Head of Strategic Support by 10.00am seven clear working days before the meeting details will be included in the Summons ~~or agenda~~.

4.8.3 Presentation of Petitions by Members of Council

Members of Council who receive a petition from a member of the public can either:

- (a) present it at the appropriate meeting; or
- (b) pass it to the appropriate Officer.

Only Members of Council may present petitions to Council, and must do so by formally reading or summarising the petition, giving details of the number of signatures and stating its purpose. They must not otherwise address the Council unless the Chairman so consents.

The Chairman of Council will advise the Councillor presenting the petition as to where the petition will be referred. However, if the petition relates to a matter on the agenda for the meeting of Council at which it is presented it shall be dealt with at that meeting.

~~Petitions relating to licensing or planning applications will normally be received by Officers during the Licensing or Planning consultation process. Petitions relating to a specific application under the Licensing Act 2003 or the Gambling Act 2005 must be submitted within the statutory consultation period if it is to be considered by the Sub-Committee determining the application.~~

4.9 Motions

4.9.1 Scope of Motion

Motions must relate to matters of concern to the District of West Berkshire.

4.9.2 Submission of Motion

At any meeting of the Council except the Annual Meeting or an Extraordinary Meeting ~~that does not appear in the timetable of meetings~~, a notice of Motion may be submitted under this Rule for consideration.

4.9.3 Receipt of Motion

Notice of every Motion, except those moved under Rule 4.9.12 (Motions which may be Moved without Notice), shall be submitted to the Head of Strategic Support by 10.00am, seven clear working days before the Council meeting to which it is to be submitted. The Notice of Motion should clearly indicate the name of the person(s) submitting it. A Motion may be delivered in writing or by electronic mail.

4.9.4 Urgent Motion

Subject to the consent of the Chairman of Council, a Motion may be considered by the Council if it is submitted to the Head of Strategic Support by 10.00am on the day of the meeting.

4.9.5 Inclusion in Summons and Possible Amendments of Motion

Motions submitted in accordance with Rule 4.9.3 (Receipt of Motions) will be included in the Summons for the next Council meeting in the order in which they are received (unless the person submitting the Motion requests it be withdrawn or considered at a later meeting) and may be:

- amended by the Head of Strategic Support for the purpose of clarification, in consultation with the person who submitted the Motion; or
- amended or withdrawn by the Chairman, after ~~consulting~~ **informing** the person who submitted the Motion, if it appears the wording is not in order or is framed in improper or unbecoming language.

4.9.6 Record of Motion

All Motions shall be dated, numbered and entered onto a database in the order in which they are received. The log may be inspected by Members and should be open to inspection by the public.

4.9.7 Procedure at Council

The Member who submitted the Motion or another Member nominated by them shall move the Motion “as stated in the Summons”. If the Motion is not to be considered at that meeting the mover of the Motion will be permitted to speak on the Motion for a maximum of three minutes.

4.9.8 Reference or Non-Reference to Committee

Once moved and seconded the Chairman will indicate that the Motion will be dealt with in one of the following ways:

- a) be referred to the Executive without discussion, notwithstanding Rule 4.9.7 (Procedure at Council), for determination because the subject matter falls within their remit. A report will be included on the next Council agenda on the outcome of the decision;
- b) be referred to the appropriate Committee(s), Commissions or Sub-Committee(s) without discussion for consideration and report back to Council because the subject matter falls within their remit;
- c) unless the matter relates to an Executive function, be considered at the meeting because in the opinion of the Chairman the matter is urgent, of great local concern or such consideration would facilitate the discharge of business.

4.9.9 Consideration of Referred Motion

The Motion shall be considered at the next Executive meeting or special meeting (as appropriate) , Committee(s), Commissions or Sub-Committee(s) unless the mover of the Motion requests in writing to the Head of Strategic Support that it be considered at a later meeting. The mover of the Motion shall receive a copy of the agenda for the meeting to which the Motion has been referred and shall be entitled to attend that meeting to explain the Motion.

4.9.10 Abandonment of Motion

If a Motion specified in the Summons is not moved it shall, unless postponed by consent of the Council, be treated as abandoned and shall not be moved without fresh notice.

4.9.11 Mover of Motion ceasing to be a Member

If the mover of a Motion ceases to be a Member of Council after the Motion has been formally moved and seconded, the seconder or any other Member may progress the Motion.

4.9.12 Motions which may be moved without Notice

The following Motions may be moved without notice:

- (a) To appoint a Chairman of the meeting if the Chairman and Vice-Chairman of Council are absent.
- (b) Motions relating to:
 - accuracy of Minutes;
 - closure or adjournment of the meeting;
 - order of or next business.
- (c) To refer any matter to the Executive or a Committee, or a Statutory Officer.
- (d) To appoint a Committee or Members of a Committee if it arises from an item mentioned in the Council Summons.
- (e) To receive minutes and reports and adopt recommendations of Committees and Officers and any consequential Motions.
- (f) To withdraw a Motion or amendment with leave of the Chairman.
- (g) To amend a Motion.
- (h) To extend the time limit for speeches.
- (i) To allow continuation of a meeting past 10.00pm.
- (j) To suspend a Procedure Rule in accordance with Rules 4.10.1 (Suspension Rules of Procedure) and 4.10.2 (Variation /Revocation of Rules of Procedure).
- (k) To exclude the press and public in accordance with the statutory provisions.
- (l) That the question be now put.

- (m) That a Member named under Rule 4.15. 1(Disorderly Conduct) be not further heard or leave the meeting.
- (n) Giving consent of the Council where consent of the Council is required by these Rules of Procedure.
- (o) To allow a member of the public to speak in accordance with Rule 4.18.4 (Speaking).
- (p) That a Member named under Rule 4.6.2 (Electronic Communication Devices) be prevented from further using their electronic communication device at the meeting or leave the meeting.

[Note: Any Procedure Rule may be suspended in accordance with Procedure Rules 4.9.12 (Motions which may be moved without notice) and 4.10.1 (Suspension Rules of Procedure) and 4.10.2 (Variation /Revocation of Rules of Procedure) provided the effect either individually or cumulatively is not to suspend all Procedure Rules.]

4.9.13 Motions on Expenditure or Revenue

Any Motion which would materially increase expenditure, involves capital expenditure, or materially reduces the revenue of the Council, or involves the disposal of a significant asset, shall when seconded stand adjourned without discussion to the next meeting of the Executive, with a report back to the next ordinary meeting of the Council. This Rule does not apply to any Motion proposed at the Budget meeting of the Council.

4.10 Suspension, Variation and Revocation of Rules of Procedure

4.10.1 Suspension of Rules of Procedure

With the exception of Rules 4.7.1 (Approval of Minutes) and 4.17.3 (Recording of Votes) any Procedure Rule may be suspended for any business at a meeting where its suspension is moved provided either:

- notice of Motion has been given; or
- at least one half of the whole number of members of the Council, Committee or Sub-Committee are present.

[Note: See Rule 4.9.12 (Motions which may be moved without notice) above.]

4.10.2 Variation/Revocation of Rules of Procedure

Except at an Annual Meeting of the Council any Motion to vary or revoke the Rules of Procedure shall when proposed and seconded stand referred without discussion to the next ordinary meeting of the Council.

4.11 Procedure for Reports at Council Meetings

4.11.1 Executive Report

The Strong Leader or relevant Member of the Executive shall present the report and move the recommendation requiring the Council's approval. Upon being seconded the matter is open for debate, and Members of the

Council may make statements and ask questions of the Mover as appropriate. The Rules of Debate set out in Rule 4.13 will apply.

4.11.2 Committee Report

The Chairman, or other Member, of the relevant Committee will present the report and move the recommendations requiring the Council's approval. Upon being seconded, the matter is open for debate and Members of the Council may make statements and ask questions of the Mover as appropriate. The Rules of Debate set out in Rule 4.13 will apply.

4.11.3 Reports for Information

In the case of any reports submitted to the Council for information, a Member may ask the relevant Chairman or Executive Member a question or may make a statement lasting no longer than three minutes. The relevant Chairman or Executive Member is entitled to reply.

4.11.4 Confidentiality and Non-Disclosure of Reports

Reports to Committees, Sub-Committees, Panels or Task Groups which are "not for publication" in accordance with the statutory provisions on the grounds that they contain confidential or exempt information shall be treated as confidential and shall not be disclosed by a Member or Officer of the Council unless the Committee, Sub-Committee, Panel or Task Group decides otherwise.

After the meeting of the Committee, Sub-Committee, Panel or Task Group the information shall continue to be treated as confidential except insofar as it ceases to be confidential by virtue of the statutory provisions or its inclusion in the Minutes of the meeting which are made available for public inspection.

~~4.11.5 Record of Opposition~~

~~A Member may request that their opposition to a decision be recorded in the Minutes (see rule 4.17.3(Recording of Votes)).~~

4.12 Questions

4.12.1 Public Written Questions

Members of the public residing or working in the District, or their representative, may ask a question. The Chairman of Council will nominate an appropriate person to provide an answer if the questioner has not indicated from whom they would prefer to receive a response. Questions must relate to the business of the Council, be a matter for which the Council has responsibility or related to the wellbeing of West Berkshire. Such questions may only be asked at ordinary meetings of the Council. Members of the public must confine their contributions to questions and must not make statements.

Questions must be submitted in writing by post, or electronic mail to the Head of Strategic Support and must specify the name, address and contact telephone number of the person asking the question.

Questions that do not relate to an item for business for that meeting of Council must be submitted no later than 10.00am, seven clear working days before the meeting.

Questions relating to an item of business for that meeting of Council must be submitted no later than 10.00am, ~~two~~ one working days before the meeting.

4.12.2 Members' Written Questions

Members may ask any Member of the Executive and any Chairman of a Committee of the Council any question relating to the business of the Council, a matter over which the Council has responsibility or relate to the wellbeing of the West Berkshire. Such questions may only be asked at ordinary meetings of the Council.

Questions indicating the name of the person submitting it, must be submitted in writing by post or electronic mail to the Head of Strategic Support.

Questions must be submitted no later than 10.00am, seven clear working days before the Council meeting.

Questions relating to an item of business for that meeting of Council must be submitted no later than 10.00am, two working days before the meeting

Subject to the consent of the Chairman of Council where a question relates to an urgent matter it may be considered by the Council if it is submitted to the Head of Strategic Support by 10.00am on the day of the meeting.

Councillors must confine their contributions to questions and answers and must not make statements or attempt to debate the matter. Where the Chairman feels that a Councillor is contravening this rule they will stop the Councillor concerned from speaking on this matter.

4.12.3 Scope of Questions

The Monitoring Officer or Head of Strategic Support may reject a question or a supplementary question if it is not about a matter over which the Council has responsibility, it is defamatory, frivolous, it is abusive, it is substantially the same as a question which has been put at a meeting of the Council in the past six months, it requires the disclosure of confidential or exempt information or relates to a licensing or planning application.

Where a question has been rejected a letter will be sent to the questioner setting out the reasons for the rejection.

4.12.4 Written Questions concerning the Thames Valley Police Authority (TVPA) and Crime Panel (TVPCP) and Royal Berkshire Fire and Rescue Service (RBFRS)

Subject to the Rules of Procedure on receipt, a Member may also ask the person nominated to the TVPACP a question on the functions or performance of that Authority or one of the Council's representatives on the RBFRS a question in relation to the functions or performance of the RBFRS.

4.12.5 Member and Public Written Questions - Procedure at Council

Subject to Rule 4.12.9 (Multiple Member and Public Questions), questions shall be taken in order of receipt and shall be asked by saying 'I ask my

question as set out in the Summons', and then answered without discussion.

Any Executive Member or Chairman may decline to answer a question or nominate another Member to answer a question on their behalf.

4.12.6 Answers to Questions

An answer may take the form of:

- (a) a direct oral answer;
- (b) a reference to a Council publication containing the desired information;
- (c) a written answer where a reply cannot conveniently be given orally or because of a lack of time.

The Chairman in consultation with the Monitoring Officer may reject any supplementary questions on any of the grounds in rule 4.12.3 (Scope of Questions).

4.12.7 Supplementary Questions

A person asking a written question may ask one supplementary question arising directly out of the answer given to the original question but the supplementary question shall be relevant to the original question and shall not introduce any new subject matter. For the avoidance of any doubt the Chairman will invite the questioner to ask a supplementary question if the questioner has one.

4.12.8 Time Limit on Questions

The time allowed for written and supplementary questions at any meeting shall not exceed thirty minutes for public questions or one hour for Members' questions or such longer period as the Chairman of Council may permit. Questions not answered within that period will receive a written reply.

4.12.9 Multiple Member and Public Questions

If any person(s) submit(s) more than one question at any meeting only their first question shall be asked and answered. If after all other questions have been asked and answered there is sufficient time available the Chairman of Council may ask the questioner(s) to ask their further question(s) in such order as the Chairman determines.

4.12.10 Order of Questions

The Chairman has the discretion to alter the order in which questions are asked.

4.12.11 Absence of Questioner

If a person who has submitted a question is not present when the question is called, the question may, with the consent of the Chairman of Council, be asked by any other person.

4.13 Rules of Debate

4.13.1 Seconding

A Motion or amendment shall not be discussed until it has been formally moved and seconded. When seconding a Motion or amendment, a Member may reserve ~~his/her~~their speech until a later period in the debate.

4.13.2 Writing

The Chairman of Council may require a Motion or amendment to be put into writing before it is discussed or voted upon.

4.13.3 Standing

Members shall, if able, stand when speaking and address the Chairman of Council. The Chairman shall decide the order of speakers if more than one Member wishes to speak.

4.13.4 Speech Content

Members shall direct speeches to the matter under discussion, a point of order or personal explanation.

4.13.5 Speech Length

Speeches shall not exceed five minutes, unless Council consents or another time limit is specified in these Procedure Rules.

4.13.6 Closing Speeches

Members exercising a right of speech under Rule 4.13.15 (Close of Debate) or reply at the end of a debate shall not introduce new matter.

4.13.7 Amendments to Motions

An amendment to a Motion must be relevant to the Motion and will either be:

- (a) to refer the matter to the Executive, Individual Portfolio Holder, a Committee, Commission or Statutory Officer for consideration or reconsideration unless the Chairman of the Council rules otherwise in the interests of expediency; or
- (b) to leave out words; or
- (c) to leave out words and insert or add others; or
- (d) to insert or add words as long as the effect of (b) to (d) is not to negate the Motion or to introduce a new subject matter.

Only one amendment may be moved and discussed at any one time. No further amendment may be moved until the amendment under discussion has been disposed of.

If an amendment is not carried, other amendments to the original Motion may be moved.

If the amendment is carried, the Motion, as amended, takes the place of the original Motion. This becomes the Substantive Motion to which any further amendments are moved. The Chairman will read out the

Substantive Motion before accepting any further amendments, or if there are none, put the Substantive Motion to the vote.

Any amendments considered to be substantial by the Section 151 Officer in relation to in year reports or motions which have a financial implication shall be the subject of discussions with and receive the approval of the Section 151 Officer in advance of the meeting to ensure that the amendment does not compromise the Council's financial position. In relation to the budget meeting, any substantive amendments proposed to the budget shall be submitted to the Council's Section 151 Officer at least three clear working days before the meeting. The Section 151 Officer will then add an opinion on the proposed amendment and will distribute to all Members of the Council the following working day.

4.13.8 Single Speech

A Member shall speak only once on any Motion and/or amendment except:

- (a) to move or speak to a further amendment;
- (b) to move that the press and public be excluded;
- (c) to exercise a right of reply;
- (d) on a point of order or personal explanation; or
- (e) to move that the question be put.

4.13.9 Minor Alteration to Motions or Amendments

The proposer of a Motion may make a minor alteration to a Motion with the consent of the seconder and with the consent of the Council. The Council's consent will be sought by the Chairman of the meeting. Only alterations which could be made as an amendment may be made.

4.13.10 Withdrawal of Motion or Amendment

A Motion or amendment may be withdrawn by the proposer if the seconder and the Council consent. The Council's consent will be sought by the Chairman of the meeting. Unless consent is refused, no Member may then speak on the Motion or amendment.

4.13.11 Acceptance of Other Motions

When a Motion is under debate no other Motion shall be moved except:

- (a) to withdraw the motion;
- (b) to amend the Motion;
- (c) to adjourn the meeting to a specified time and place;
- (d) to adjourn or postpone the debate to a specified time and place;
- (e) to proceed to the next business;
- (f) to put the question immediately to the vote;
- (g) that the meeting continue past 10pm (see rule 4.6.4 (Continuation of Meeting));
- (h) not to hear a Member further;

- (i) to exclude the press and public;
- (j) that a Member shall immediately leave the meeting;
- ~~(j)~~(k) That a Member be prevented from further using their electronic communication device at the meeting.

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4.13.12 Closure Motions

At the conclusion of a speech of another Member, a Member may move without comment that:

- (a) the debate be adjourned;
- (b) the meeting be adjourned;
- (c) the Council proceed to the next business; or
- (d) the question be put.

4.13.13 Seconding of Closure Motion

Should the Closure Motion be seconded, the Chairman of Council shall proceed as follows if in their opinion the question before the meeting has been sufficiently discussed:

- in the case of a Motion under (a) to (c) in rule 4.13.12 (Closure Motions) above, invite the mover of the original Motion to reply and then put the Closure Motion to the vote; or
- in the case of a Motion under (d) in rule 4.13.12 (Closure Motions) above, put the closure Motion to the vote.

4.13.14 Carrying of Closure Motion

Should the Closure Motion be carried, the question before the meeting shall (subject to the rights of speech or reply) be put to the vote or be deemed to be disposed of or the meeting or debate shall stand adjourned as the case may be.

4.13.15 Close of Debate

At the close of the debate on the original or substantive Motion, the undermentioned shall have the right of speech or reply in the following order:

- the Secunder, if ~~he/she has they have~~ not already spoken;
- the relevant Executive Member or Chairman of the appropriate Committee if ~~he/she has they have~~ not already spoken;
- the mover of the original Motion.

If an amendment is moved, the undermentioned shall have the right of speech or reply at the close of the debate on the amendment in the following order:

- the relevant Executive Member or Chairman of the appropriate Committee if ~~he/she has~~ they have not already spoken;
- the mover of the amendment;
- the mover of the original Motion who shall not otherwise speak on the amendment.

4.13.16 Points of Order/Explanation

A Member may rise and shall:

- be heard immediately on a point of order, relating to an alleged breach of a Procedure Rule or statutory provision . The Councillor must indicate the rule or law and the way in which they consider it has been broken. The ruling of the Chairman on the matter will be final.
- be heard when the Chairman decides it is relevant, on a point of personal explanation, concerning some material part of a preceding speech by them in the present debate which appears to have been misunderstood. The ruling of the Chairman on the matter will be final.

4.13.17 Respect for Chair

If the Chairman of Council stands during a debate any Member then standing shall resume their seat and the Council shall be silent.

4.13.18 Officers' Advice

The Chairman of Council may request the Chief Executive or appropriate Officer to speak by way of explanation of or to draw the attention of the Council to any legal, technical or administrative matters.

4.14 State of the District Debate

4.14.1 Calling of Debate

The Executive Leader may call a State of the District debate annually on a date and in a form to be agreed with the Chairman.

4.14.2 Form of Debate

The Executive Leader will decide the form of debate with the aim of enabling the widest possible public involvement and publicity. This may include holding workshops and other events prior to or during the State of the District debate.

4.14.3 Results of Debate

The results of the debate will be disseminated as widely as possible within the community and to agencies and organisations in the district and considered by the Executive Leader in proposing the Budget and Policy Framework to the Council.

4.15 Behaviour of Members

4.15.1 Disorderly Conduct

If, at a meeting of Council, a Member:

- persistently disregards the ruling of the Chairman of Council; or
- behaves irregularly, improperly or offensively; or
- wilfully obstructs the business of Council;

any Member may move:

- that the Member named not be heard any further;
- that the Member named shall leave the meeting; and
- if the Motion is seconded, it be put to the vote without discussion.

4.15.2 Suspension of Sitting

If there is a general disturbance or if the named Member or member of the public continues to misbehave after a Motion under Rule 4.9.12 (Motions which may be Moved without Notice) has been carried and orderly business is prevented, the Chairman of Council may adjourn the meeting for as long as they consider necessary.

4.16 Rescinding an Earlier Resolution

4.16.1 Six Months Rule

A Motion may not be moved to rescind a decision made at a meeting of the Council within the preceding six months unless notice of the Motion is given under Rule 4.9 (Motions) and is signed by at least one-quarter of all Members of Council. See Rule 4.16.3 (Committee Decision) below.

4.16.2 Rejected Motion

A Motion or amendment in similar terms to one that has been rejected at a meeting of the Council in the past six months cannot be moved.

~~4.16.3 Committee Decision~~

~~A Committee or Sub-Committee may, by a majority of those voting, rescind a decision that it has previously made.~~

4.17 Voting

4.17.1 Method of Voting

Voting shall be by show of hands. Unless the Constitution or the law provides otherwise any matter will be decided by a simple majority of those present and permitted to vote on the matter at the time the question is put.

4.17.2 Chairman’s Casting Vote

If there are equal numbers of votes for and against the Chairman will have a second or casting vote. There will be no restriction on how the Chairman exercises their vote.

4.17.3 Recording of Votes

A record of how a vote is or votes are cast (as the case may be) will be made if:

- before a vote is taken any Member requests that the vote be recorded and three other Members support that request by standing in their places. In these circumstances the Monitoring Officer or his/her representative will call the name of each Member present and each Member will respond for or against the Motion or abstaining;
- immediately after a vote has been taken any Member requests that their vote for or against or their abstention be recorded.

In [accordance with The Local Authorities \(Standing Orders\) \(England\) \(Amendment\) Regulations 2014 \(SI 2014/165\) \(2014 Regulations\) the names of those who vote for and against any decisions relating to the setting of the Council's budget, at the Council's budget meeting must be recorded](#)

4.17.4 Record of Opposition

[A Member may request that their opposition to a decision be recorded in the Minutes \(see rule 4.17.3\(Recording of Votes\)\).](#)

4.18 Press and Public

4.18.1 Admission

The press and public shall be permitted to attend meetings of Council unless excluded under provisions contained in Part 1 Schedule 12A of the Local Government Act 1989 and in accordance with Part 8 of the Access to Information Rules of Procedure.

4.18.2 Exclusion of Employee

During any discussion on the appointment, promotion, dismissal, salary, conditions of service or conduct of a Council employee, the employee shall not be present except to make representations on his/her own behalf either personally or by or with such representatives as the Council may agree to receive.

4.18.3 Removal

If a member of the public interrupts the proceedings at any meeting the Chairman may, after warning, order their removal from the Council meeting. If there is a general disturbance the Chairman shall order that the part of the room open to the public be cleared.

4.18.4 Speaking

Members of the public may only speak at a meeting if the Council so resolves when asking a question in accordance with these Rules of Procedure.

4.18.5 Televising and Sound Recording of Meeting

The televising and sound recording of meetings will be permitted in accordance with the protocol relating to this matter. The protocol can be found at Appendix A to Part 4.

Appendix A

Protocol Relating to Televising and Sound Recording of Meetings

~~The televising or sound recording of the Council's public meetings, namely, the Council, Executive, Planning Committees, Licensing Committee, Governance and Audit Committee, Personnel Committee, and Overview and Scrutiny Management Commission, will be permitted, subject to the Protocol set out below. This is in accordance with guidance issued by the Department for Communities and Local Government in July 2013.~~

- ~~1. Requests for permission to take visual or sound recordings should be submitted three clear working days before the date of the relevant meeting to the Head of Strategic Support.~~
- ~~2. The Head of Strategic Support shall advise the relevant Chairman or Vice-Chairman of the meeting of the request to record a meeting whether in audio or visual format.~~
- ~~3. Audio or Visual recordings will only be permitted for a public purpose.~~
- ~~4. Television crews or persons undertaking sound recording shall comply with the requests of the Head of Strategic Support or their representative as to arrangements for recording.~~
- ~~5. No audio or visual recording will be permitted, and persons present for those purposes will be required to leave the meeting, if a resolution is passed under Section 100A of the Local Government Act 1972 excluding the press and public from the meeting.~~
- ~~6. Members of the public who have given notice of their wish to speak at any public meeting shall be advised of the request to record the meeting and shall be able to decide to "opt out" of being recorded. This information will be relayed to the person wishing to record the meeting.~~
- ~~7. The Chairman shall be advised of any "objections to being recorded by members of the public speaking and shall ensure that before debate commences on any item the meeting and public attending are absolutely clear about who can and cannot be recorded.~~
- ~~8. Recording must not cause any nuisance or interfere with any electronics or with the conduct of the meeting. In this situation the Chairman may ask for the person recording the meeting to cease this activity at any time.~~
- ~~9. No link will be permitted to the Council's sound recording equipment, neither may any equipment be placed on tables within the area occupied by Members or Officers.~~
- ~~10. If there is a breach of this Protocol, the Chairman may at his or her discretion, after a warning, order that no further sound recording shall take place during the meeting.~~

The Openness of Local Government Bodies Regulations came into effect on 6th August 2014. The Regulations give the public the right to film, audio record, take photographs and use social media and the internet at meetings to report on any meetings that are open to the public.

The Council's public meetings are the Council, Executive, Planning Committees, Licensing Committee, Governance and Ethics Committee, Health and Wellbeing Board, Personnel Committee, and Overview and Scrutiny Management Commission.

The Protocol is set out below:

1. Although no prior permission is required, members of the public who wish to use any of the above listed recording mechanisms are advised to inform the Head of Strategic Support in advance.
2. The Head of Strategic Support shall ensure "reasonable facilities" are provided to facilitate reporting. This may include space to view and hear the meeting, seats, and a desk.
3. Television crews or persons undertaking audio or visual recording shall comply with the requests of the Head of Strategic Support or their representative as to arrangements for recording, including:
 - a) filming, photography or audio recordings should not be disruptive and distracting to the good conduct of the meeting and recording devices must be set in silent mode
 - b) no flash or additional lighting is permitted
 - c) filming, photography or audio recordings should normally be taken from one fixed position and must not obstruct others from observing proceedings
 - d) attendees would be advised at the start of the meeting that is being filmed, photographed or audio recorded
 - e) a person undertaking the filming or audio recording shall respect any request from members of the public that they do not wish to be filmed
 - f) There shall be no oral commentary permitted in the Meeting
 - g) There shall be no filming of children present at the Meeting.
4. The Head of Strategic Support shall advise the relevant Chairman or Vice-Chairman of the meeting of the method in which it is being recorded so that they may notify the attendees of the meeting.

Members of the public who have given notice of their wish to speak at any public meeting shall be able to decide to "opt out" of being recorded. This information will be relayed to the person wishing to record the meeting.

5. The Chairman shall be advised of any “objections to being recorded by members of the public speaking and shall ensure that before debate commences on any item the meeting and public attending are absolutely clear about who can and cannot be recorded.
6. No audio or visual recording will be permitted, and persons present for those purposes will be required to leave the meeting, if a resolution is passed under Section 100A of the Local Government Act 1972 excluding the press and public from the meeting.
7. No link will be permitted to the Council’s sound recording equipment, neither may any equipment be placed on tables within the area occupied by Members or Officers.
8. If there is a breach of this Protocol, the Chairman may at their discretion, after a warning, order that no further sound recording shall take place during the meeting.

West Berkshire Council Constitution

Part 11

Contract Rules of Procedure

Document Control

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Owning Service	Strategic Support		

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Version	Date	Description	Change ID
1.1	Sept 2008	Amended to include up to date guidance on the use of consultants	
2	Jan 2010	Significant re-write in line with current legislation.	
3	April 2012	Changes to whole document as a consequence of the Senior Management Review	
4	December 2012	Significant re-write to bring in line with current law, practice and procedures. Also to streamline it.	
5	June 2014	11.11.3(a)	Delegated authority
6	May 2015	11.1.1 , 11.1.2 , 11.1.3 , 11.1.4 , 11.1.5 , 11.1.6 , 11.1.7 , 11.2.1 , 11.2.2 , 11.2.3 , 11.2.4 , 11.3.1 (b) and (f) , 11.4.3 , 11.4.4 , 11.5.1 , 11.5.2 , 11.6.1 , 11.6.2 , 11.6.4 , 11.7.2 , 11.7.3 , 11.6.1 , 11.6.2 (amended), 11.9.1 , 11.9.2 , 11.9.3 , 11.9.4 , 11.11.1 , 11.11.2 , 11.11.3 , 11.11.4 , 11.11.5 , 11.11.6 , 11.11.7 , 11.11.8 , 11.11.9	



Version	Date	Description	Change ID
		11.16.2, 11.16 Implementation of the new Directives and Regulations	

West Berkshire Council Constitution

Any Acts, Rules or Regulations mentioned in the text of this document can be accessed on the Office of Public Sector Information website at:

<http://www.opsi.gov.uk/legislation/uk>

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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 01635 519045 who will be able to help.



West Berkshire
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11.1 Application of Contract Rules of Procedure

11.1.1 These Contract Rules of Procedure (also referred to as the Contract Standing Orders) are made in accordance with the requirements of Section 135 of the Local Government Act 1972.

~~11.1.1~~11.1.2 These Contract Rules of Procedure apply to purchases by or on behalf of the Council of works, supplies (~~goods~~) and services.

11.1.3 These Contract Rules of Procedure apply to all contracts including purchase orders, consultancy agreements, concessions and contractual arrangements entered into by or on behalf of the Council, except for the specific types of contracts and purchasing methods which are expressly excluded under the Procurement Legislation.

11.1.4 The Procurement Legislation referred to in these Contract Rules of Procedure includes the following:

a. The EU Directives, as follows:

- (i) Directive 2014/24/EU on public procurement, replacing Directive 2004/18/EC, for Public Sector Contracts;
- (ii) Directive 2014/25/EU procurement by entities operating in water, energy, transport and postal services sectors, replacing Directive 2004/17/EC; and
- (iii) Directive 2014/23/EU on award of concession contracts, which does not directly replace any previous directive.

11.1.5

a. Public Contracts Regulations 2015 implementing 11.1.3 (a) (i) and any further domestic regulations implementing the above Directives.

Public Procurement Regulations 2006.

~~11.1.2~~ These Contract Rules of Procedure (also referred to as the Contract Standing Orders) are made in accordance with the requirements of Section 135 of the Local Government Act 1972.

~~11.1.3~~11.1.6 These Contract Rules of Procedure do not provide guidelines on ~~what is~~ the best way to purchase works, supplies (~~goods~~) and services. They seek to set out minimum requirements to be followed. Further information ~~is and guidelines provided by of guidance and updates on the Legal Services intranet pages,~~ will be set out in the Council's Desktop Procurement Guide which ~~it is intended when developed and approved will accompany these Contract Rules of Procedure is document. This further information is made available and and updated from time to time.~~

~~11.1.4~~11.1.7 The Council has designated that the Head of Legal Services to be the Monitoring Officer. The Head of Legal Services shall be responsible for interpreting these Contract Rules of Procedure. All reference to Head of Legal Services hereafter includes any such officers nominated by the Head of Legal Services.

~~11.1.5~~11.1.8 In the event where a Governing Body of a school, under the control of the Local Education Authority, intends to enter into a contract for works, supply of goods~~supplies~~ or services the Head teacher or such persons as delegated by them must follow these Contract Rules of Procedures.

~~11.1.6~~11.1.9 In the event of a declaration of major incident the Council's Major Incident Plan and/or Business Continuity Plan may be invoked. This in turn may lead to the need to incur additional unbudgeted expenditure. When this becomes necessary the Contract Rules of Procedure will be suspended and the Chief Executive, or an officer nominated by the Chief Executive, is then authorised to incur whatever expenditure is necessary in consultation with the Head of Finance. A Corporate Director will act in the place of the Chief Executive if they are unavailable.

~~11.1.7~~11.1.10 Failure to comply with these Contract Rules of Procedure will be viewed by the Council as a breach of the Officers' Code of Conduct contained within Part 13 (Codes and Protocols) of this Constitution and may be considered a disciplinary matter.

11.2 Purpose of Contract Rules of Procedure

11.2.1 The purpose of these Contract Rules of Procedure is to provide a structure within which procurement decisions are made and implemented to ensure that the Council furthers its corporate objectives in an efficient manner leading to procurement of quality ~~supplies~~~~goods~~, services and works.

11.2.2 These Contract Rules of Procedure protect the legal position of the Council in respect of compliance with the law and in its contractual dealings with external suppliers and contractors. They protect the interests of Members, Officers and the Citizens of West Berkshire. ~~The Head of Legal Services shall be responsible for interpreting these Contract Rules of Procedure~~

11.2.3 ~~Every purchase, contract or official order for works, supplies or services made by the Council shall be for the purpose of implementing the Council's policies and must be made in accordance with the Council's duty of Best Value, Equality and Sustainable Commissioning.~~

11.2.4 ~~When proposing to procure or making arrangements for procuring a service contract where the estimated value exceeds the EU Threshold (for Services) then consideration must be given as to how the procurement or contract might improve the economic, social and environmental wellbeing of West Berkshire, as required by the Public Services (Social Value) Act 2012~~

11.3 Tendering – Preliminaries

11.3.1 It is the responsibility of the Chief Executive, Corporate Directors, and Head of Services to ensure all purchases of ~~goods~~~~supplies~~ and services and works comply with:

- (a) all relevant statutory requirements;
- (b) the relevant EU Rules ~~and including~~ EU Treaty Principles and Directives.
- (c) the Council Constitution including these Contract Rules of Procedure and Financial Rules of Procedure and Scheme of Delegation.

- (d) any code, guidance or conditions approved by the Governance & Audit Committee and/or the Executive and/or the Council to the exercises of powers delegated by them.
- (e) any conditions attached by the Executive or the Council to the exercise of powers delegated by them.
- (f) the [guidance and updates \(available from time to time\) on the Legal intranet pages proposed Council's Desktop Procurement Guide](#) (to include Consultancy Guides) and other policies and procedures of the Council as appropriate.
- 11.3.2 In the event of conflict between the above, the EU Rules will take precedence, followed by UK legislation, then (c), (d), (e), and (f) as above.

11.4 Authority

- 11.4.1 All transactions must fall within the powers delegated to the Chief Executive or Corporate Director or the Head of Service or must have been approved by a decision (in accordance with the Council's Constitution) of the Executive, an authorised Member of the Executive, the Council or one of its committees or sub-committees.
- 11.4.2 No contract, agreement or other document shall be signed or sealed unless it gives effect to:
- a decision or resolution (in accordance with the Council's Constitution) of the Executive, an authorised Member of the Executive or one of its committees or sub committees; or
 - a decision by an officer exercising delegated powers.
- 11.4.3 [Budgetary provision must exist before any contract can be entered into. This provision should be explicit in a budget approved by resolution of the Council. Where budgetary approval exists for a specific item within the Capital Programme further Member approval is generally not required.](#)
- 11.4.4 [For items outside of the Capital Programme \(e.g. revenue\) the relevant Head of Service does not have the delegated authority then an approval or a resolution \(as appropriate\) is required as outlined in the table below \(provided the expenditure can be met within budget\) before the contract can be awarded:](#)

Total Contract Value £	Delegated decision or Resolution of:
Up to £99,999	Relevant Head of Service (or such officers as nominated by the Head of Service in writing) shall have delegated authority to award the enter into such contract.
£100,000 to £499,999	Relevant Head of Service following recommendation of S151 officer and Head of Legal Services Corporate Board following recommendation of S151 officer and Head of Legal Services. Corporate Board shall will submit need to receive a report from the relevant officer either recommending for the contract

<u>Total Contract Value £</u>	<u>Delegated decision or Resolution of:</u>
	to be awarded or seeking delegated authority for the relevant Head of Service to award the contract in consultation with the Ss151 officer and Head of Legal Services.
<u>Over £500,000</u>	<u>These contracts shall require a key decision of the Executive following recommendation by S151 officer and Head of Legal Services. Executive will need to shall receive a report from the relevant officer either recommending for the contract to be awarded or seeking delegated authority for the relevant Head of Service to award the contract in consultation with the relevant Portfolio Holder, s151 officer and the Head of Legal Services.</u>

11.5 Tendering - Financial Thresholds & Procedures

11.5.1 Officers with the conduct of the procurement are responsible for ensuring that all persons awarded contracts for the supplies, services or works to the Council meet the Council's minimum standards of suitability, capability, legal status and financial standing. Where the contract is ~~not subject to EU Rules and is~~ below the EU threshold for goods and services officers must not include a pre-qualification stage. However questions relating to a supplier's suitability assessment may be included provided such questions are relevant to the subject matter of the procurement and proportionate.

~~11.5.1~~ 11.5.2 The financial value thresholds (exclusive of Value Added Tax) at which processes become mandatory are set out in the table below:

	<u>Total Value £</u>	<u>Type of contract</u>	<u>Procedure to be used</u> <u>Award Procedure</u>	<u>Advertising requirements</u>
<u>A</u>	1,000 to <u>up to 9,999</u>	Works, supplies and services	At least one quote must be sought from an appropriate source <u>via the Procurement Portal</u> .	<u>None mandated.</u>
<u>B</u>	10,000 to 49,999 <u>10,000 to 99,999</u>	Works, supplies and services	At least three <u>written</u> invitation to quote must be sent <u>via the Procurement Portal</u> to appropriate sources <u>with at least one from SME* or VCSE*^a</u>	<u>None mandated, however if advertising then information about the</u>

	Total Value £	Type of contract	<u>Procedure to be used</u> <u>Award Procedure</u>	<u>Advertising requirements</u>
			local organisations supplier (where appropriate and possible) ¹ .	opportunity should be placed on Contracts Finder database .
<u>C</u>	10050,000 to EU threshold ^{2*}	Works, supplies and services	Full competitive tender process applies and at least five written tenders must be sought -via the Procurement Portal following advertisement by public notice.	An advert should be placed on the Portal together with information on the Contracts Finder database
<u>D</u>	Above <u>relevant EU threshold^{2*} for supplies and services</u>	<u>Works, Supplies and services</u>	EU -Procedures Rules apply— full competitive tender process <u>with at least five written tenders sought (where appropriate) via the Procurement portal. following advertisement in the Official Journal of the European Union for supplies and Part A* services.</u> For Part B* services reduced requirements apply under the EU Rules however there is a requirement to adhere to EU principles of openness, transparency, equal treatment and fairness.	An advert should be placed on the Official Journal of the European Union together with information on the Contracts Finder database.
Above EU threshold* for works		Works	EU Rules apply— full competitive process following advertisement in the Official Journal of the European Union	

^{*}SME (means an enterprise falling within the category of micro, small and medium-sized enterprises) or ^{*}VCSE (means a non-governmental organisation that is value-driven and which principally reinvests its surpluses to further social, environmental or cultural objectives).

¹The Council cannot give preference to SME/ VCSE or local contractors/suppliers, as there are legislative constraints and such a policy would be incompatible with Best Value. However, the Council recognises that there can be barriers limiting or restricting the ability of such smaller suppliers to

compete for Council business. The Council will seek to reduce the impact of such barriers, where it can do so legally, without discrimination, and without placing unacceptable levels of risk on the Council.

*²There are ~~three~~ different EU thresholds for Works; Supply and Services; Social and Other Specific Services, one for works and the other for supplies and services. To obtain the latest values are published on the Legal intranet page as updated from time to time, please contact Legal Services.

11.6 Tendering - Advertising

11.6.1 There is a general presumption in favour of competition. Subject to advertising requirement in paragraph 11.5.2 ~~Where possible~~ all contract opportunities ~~being should be~~ advertised by the relevant Head of Service by way of a public notice and/or should be done so electronically on the Council's Procurement Portal to ensure that such opportunities also appear on the Contracts Finder database. For opportunities relating to works, services and supplies which fall below the EU threshold a UK Government Certified national database ~~(such as Constructionline)~~ can be used to select tenderers.

11.6.2 Subject to 11.6.1 (above) All contract opportunities which are:

- above the EU thresholds; and
- subject to the full application of EU ~~R~~procurement rules

must be advertised by notice in the Official Journal of the European Union ("OJEU notice") and Contracts Finder database prior to such advertisement appearing on any other advertising medium (such as trade journal etc.). Contracts Finder means a web-based portal provided by the Cabinet Office.

11.6.3 However under the EU Treaty principles where the contract is of potential cross border interest then it must be publicised to ensure that tenderers from other member states have an opportunity to participate and the process is conducted in a fair and transparent manner.

11.6.4 Where a contracts ~~is above the EU financial threshold~~ ~~are of a type and value that mean the EU Rules apply to them then~~ there are ~~five~~ four main types of EU procedures available. These are Open procedure, Rrestricted procedure, Competitive procedure with negotiation, eCompetitive dialogue and Innovation -partnership ~~competitive negotiated procedure~~. Care must be taken to ensure that the correct and most appropriate procedure is used and advice is sought from Legal Services on the choice and use of EU procedure. OJEU notices must be approved and issued by Legal Services who will also assist in the conduct of the procurement.

11.7 Tendering - Contract Value & Aggregation

11.7.1 The contract value shall be the total cost of the supply, service or work to be procured over the contract term. The starting point for calculating the contract value for the purposes of these Contract Rules of Procedure is that the contract value shall be the genuine pre-estimate of the value of

the entire contract excluding Value Added Tax. This includes all payments to be made, or potentially to be made, under the entirety of the contract and for the whole of the predicted contract period (including proposed extensions, variations and options).

11.7.2 There shall be no artificial splitting or disaggregation of a contract to avoid the application of the provisions of the [EU Rules Procurement Legislation](#) and/or these Contract Rules of Procedure.

11.7.3 The [EU Rules Procurement Legislation](#) can cover contracts, which are below the stated EU threshold, where they constitute repeat purchases and/or purchases of a similar type in a specified period. Officers responsible for the procurement should therefore seek advice on the application of the [EU Rules Procurement Legislation](#) where they envisage that they may be required to make such purchases.

11.8 Tendering - Principles and Evaluation

11.8.1 All tendering procedures (including obtaining quotes), from planning to contract award and execution (seal or signature), shall be undertaken in a manner so as to ensure:

- sufficient time is given to plan and run the process;
- equal opportunity and equal treatment;
- openness and transparency;
- proportionality;
- probity;
- outcomes that deliver sustainability, efficiency and cost savings (where appropriate).

~~11.8.2 Before undertaking any procurement exercise the Officer responsible for the procurement must complete (in writing) the following:~~

- ~~• Sustainability Impact Assessment (as appropriate).~~
- ~~• Equality Impact Assessment (as appropriate).~~

11.9 Tendering - Submission and Opening of Tenders

11.9.1 An [electronic](#) Invitation to Tender shall be issued by the Council for all contracts ~~with an estimated value of over £100,000, or more~~^{49,999} and tenders shall be submitted [electronically via the Council's Procurement Portal](#) in accordance with the requirements of the Invitation to Tender.

~~Any tenders received (other than those received electronically, to which [11.1.1](#) shall apply) shall be:~~

~~addressed to the relevant Head of Service; in an unmarked, plain and sealed envelope marked "Tender" followed by the subject matter to which it relates; kept in a secured cabinet;~~

~~11.9.2 retained unopened until the date and time specified for its opening.~~

~~11.9.3 Where the Council has indicated in the Invitation to Tender that a tender can or must be submitted electronically using the Council Procurement~~

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Portal ~~and the Invitation to Tender must specify the format in which an electronic tender is submitted by tenderers and such tenders shall be;~~ ~~then those tenders shall be:~~

~~11.9.4~~ ~~in the format specified in the Invitation to Tender;~~

~~11.9.5~~ ~~11.9.2~~ stored in a secure portal account which is locked until the date and time specified for its opening.

~~11.9.6~~ ~~11.9.3~~ No tender received after the time and date specified for its opening shall be accepted or considered by the Council unless the Head of Legal is satisfied that there are exceptional circumstances and the other tenders have not been opened.

~~11.9.7~~ ~~Where a tender is expected to have a value in excess of £49,999, and is not electronically submitted using the Procurement Portal, the relevant Head of Services shall invite the appropriate Portfolio Holder and a Procurement or Legal Officer to undertake the tender opening and shall complete a standard tender opening form as issued by Legal Services (available on the intranet).~~

~~11.9.4~~ The electronic opening of tenders submitted on the Procurement Portal shall be conducted ~~Where the tender is expected to have a value in excess of £49,999, and is electronically submitted by a Procurement or Legal Officer and using the Procurement Portal then~~ the relevant Head of Service ~~or their nominated representative.~~

~~11.9.5~~ Only in limited circumstances a tender process should be undertaken by hard copy submissions. In such cases written approval of the Head of Legal Services is required. The following circumstances shall apply:

~~a. The Invitation to Tender shall specify that such tenders should be returned to the relevant Head of Service; in an unmarked, plain and sealed envelope marked "Tender" followed by the subject matter to which it relates; and~~

~~b. Tenders should be kept unopened in a secured cabinet until the tender opening date; and~~

~~c. The relevant Head of Services shall invite the appropriate Portfolio Holder and an officer from Legal Services to undertake the tender opening and shall complete a standard tender opening form as issued by Legal Services (available on the intranet) in order to avoid risk of challenge.~~

~~shall facilitate electronic tender opening in the presence of an appropriate Portfolio Holder and a Procurement or Legal Officer. Further details on how to facilitate electronic tender opening will be detailed in the Council's Desktop Procurement Guide.~~

11.10 Tendering – Evaluations of Quotes and Tenders

11.10.1 All quotes and tenders shall be evaluated in accordance with evaluation criteria notified in advance to those submitting quotes/tenders.

11.10.2 Tenders subject to the EU Rules shall be evaluated in accordance with the EU Rules. Advice from Legal Services should be sought on the selection and evaluation criteria.

11.10.3 Save in exceptional circumstances approved in advance by the relevant Head of Service all contracts shall be awarded on the basis of the quote or tender which is most economically advantageous and represents best value for money to the Council and not on the basis of lowest price.

11.11 Exclusions and Exceptions to Contract Rules of Procedure

Exclusions

11.11.1 The requirement to conduct a competitive procurement process is excluded in the following circumstances:

	<u>Type of circumstance</u>	<u>Written record and approval</u>
a)	<u>the proposed contract is excluded under the Procurement Legislation;</u>	<u>Prior written approval from the Head of Legal Services is required.</u>
b)	<u>the proposed contract is being awarded under a Purchasing Scheme (refer to 11.12) of a type where a competition has already been undertaken on behalf of the Council or other public sector organisation; or</u>	<u>Prior written approval from the Head of Legal Services is required.</u>
c)	<u>the proposed contract is an extension to or a variation of the scope of an existing contract where the existing contract provides for such extension or a variation or where the variation is a modification permitted under the Procurement Legislation.</u>	<u>For contract value below £50,000 prior written approval from the Head of Legal Services and S151 Officer is required.</u> <u>For contract value greater than £50,000, approval of the Procurement Board provided an extension report has been submitted to the Procurement Board with recommendation from Head of Legal Services</u>

		and S151 Officer
d)	<p>the contract is for the following social care services:</p> <p>i. residential placements sought for an individual with a registered care provider of their choice;</p> <p>ii. supported living services sought for an individual with an appropriate care and support provider of their choice under the National Health Service and Community Care Act 1990;</p> <p>iii. individual school placements sought for a child with Special Educational Needs (SEN);</p> <p>iv. social care packages managed by or on behalf of individual clients under the personalisation agenda;</p> <p>v. where certain needs of an individual (either an adult or a child) require a particular social care package, which is only available from a specific provider.</p> <p>vi. residential placements sought for an individual under the Shared Lives scheme (or any equivalent scheme).</p>	<p>Head of Service must ensure that a record of the reasons for the choice of provider is maintained on the individual's case notes. A record of the annual cumulative expenditure with each provider should be maintained by each directorate and made available for audit.</p>

Exceptions

~~11.10.411.11.2~~ Subject to ~~11.11.311.11.2~~ the requirement for the Council to conduct a competitive purchasing process for contracts in excess of £9,999, may be excepted or waived in the following circumstance:

- for contracts which are not subject to the EU Rules, the work, supply or service is required as a matter of urgency and a delay would be likely to lead to financial loss, personal injury or damage to property; or
- ~~the circumstances set out in the Public Contract Regulations 2006 Regulation 14 apply (whether or not the contract is of a type which is subject to the application of the EU Rules); or~~
- ~~the contract is awarded under a Purchasing Scheme (refer to 11.12) of a type where a competition has already been undertaken on behalf of the Council or other public sector organisation; or~~
- ~~the proposed contract is an extension to or a variation of the scope of an existing contract where the contract is not subject to the~~

~~application of the EU Rules.~~

- ~~at the discretion of the relevant Corporate Director and/or the Chief Executive, acting lawfully, who may proceed in a manner most expedient for the efficient management of the ~~service/~~Council with reasons recorded in writing.~~

~~11.10.5~~11.11.3 Only the Head of Legal Services and/or the Head of Finance (as S151 Officer) ~~or such officer as nominated by them~~ may grant a waiver or an exception to these Contract Rules of Procedure, subject to Exception Values and delegations below, ~~to these Contract Rules of Procedure~~. An Officer, who seeks a waiver of Contract Rules of Procedure, shall do so only in advance and only in exceptional circumstances.

~~11.10.6~~11.11.4 Exception values and delegations

- For all contracts up to £49,999 the Section 151 Officer or nominated Officer must approve the exception.
- For contracts above £50,000, and up to the £200,000, EU threshold the Section 151 Officer or nominated Officer will consult with the Head of Legal Services and the appropriate Corporate Director provided an exception report has been approved by the Procurement Board.
- For contracts between EU threshold £200,000 and £500,000 the exception will be dealt with by way of recommendation to the Corporate Board after consultation with the Section 151 Officer and with the Head of Legal Services or such officer as nominated by them provided an exception report has been approved by the Procurement Board.
- For contracts over £500,000 the Section 151 Officer and the Head of Legal Services or such officer as nominated by them will make a recommendation to the Executive provided an exception report has been prepared and approved by the Procurement Board and the Corporate Board.

~~11.10.7~~11.11.5 All exceptions or waivers ~~from to~~ these Contract Rules of Procedure must be:

- Fully documented;
- Subject to a written exception report to be submitted in advance to the Procurement Board (for 11.11.3 b, c, d) by the relevant Head of Service or Corporate Director which shall include reasons for the exception or waiver which demonstrate that the exception or waiver is genuinely required.
- Subject to ~~an~~ approval by the Section 151 Officer ~~(or nominated officer)~~ who shall record that he/she has considered the reasons for the waiver and that they are satisfied that the circumstances justifying the waiver are genuinely exceptional. Applications for waivers which are a result of poor contract planning will rarely be considered genuinely exceptional.

- Relevant approval has been sought under 11.11.3.

~~11.10.8~~11.11.6 For contracts subject to the EU Rules, any waiver or [an](#) exception from the requirement for competition must meet the conditions set out in the EU Rules in addition to the general requirements above.

~~11.11~~11.12 **Purchasing Schemes**

~~11.11.1~~11.12.1 An officer responsible for the procurement exercise may use Purchasing Schemes subject to the following conditions: -

~~11.11.2~~11.12.2 An officer responsible for the procurement must seek advice in advance that:

- the Council is legally entitled to use the Purchasing Scheme;
- the purchases to be made do properly fall within the coverage of the Purchasing Scheme;
- the establishment and operation of each Purchasing Scheme is in compliance with the EU Rules (where they apply) and meets the Council's own requirements.

~~11.11.3~~11.12.3 A "Purchasing Scheme" may include:

- Contractor prequalification lists/select lists;
- Framework arrangements (including those set up by the Government Procurement Service);
- Purchasing arrangements set up by central purchasing bodies and commercial organizations;
- Consortium purchasing;
- Collaborative working arrangements;
- Formal agency arrangements;
- E-procurement / purchasing schemes and methods;
- Other similar arrangements.

[11.12.4](#) Where a Purchasing Scheme is used then there shall be a whole or partial exemption from the obligations under these Contract Rules of Procedures in respect of the choice and conduct of procedures. Advice should be sought from Legal Services prior to entering to such arrangements.

11.13 Reporting Requirements

[11.13.1](#) [A written report should be drawn by the relevant Head of Service for each contract that is awarded which is above EU threshold and subject to the Procurement Legislation. The Procurement Legislation places an obligation on the Council to document, for each procurement, key decision and steps taken and stages leading to the award of contracts. This report may be requested by the European Commission and/or the Cabinet Office and should be kept for a period of 3 years. A guidance note and template for such report will be made available by way of guidance and updates on the Legal Services intranet pages which accompany these Contract Rules of Procedure.](#)

~~11.11.4~~11.13.2 In addition to the above, the relevant Head of Service should document the progress of all procurement procedures including ensuring sufficient information is kept to justify decisions such as communications with contractors and internal deliberations, preparation of procurement documents, any dialogue and negotiation, selection and award. Documentation must be kept for three years from the award of the contract.

11.14 Prevention of Corruption

~~11.11.5~~11.14.1 The public is entitled to demand of Local Government Officers conduct of the highest standard. Public confidence in their integrity would be undermined were the least suspicion, however ill-founded, to arise that they could in any way be influenced by improper motives.

~~11.11.6~~11.14.2 Where a Member or Officer of the Council has an interest in a contract or a proposed contract whether it is a disclosable pecuniary interest or otherwise and is also involved in the process of letting or managing of that contract, this interest must be registered with the Monitoring Officer who shall decide on whether that Member or Officer should be involved or not.

11.14.3 In the case of ownership of shares Members should seek advice from the Head of Legal Services as to the current level of share ownership accepted by the Standards Committee or any such successor authority as being de minimus for the purposes of declarations of interest.

11.1211.15 Entering into a Contract

~~11.12.4~~11.15.1 There should be written evidence of all purchases, including electronic evidence.

~~11.12.2~~11.15.2 All contracts entered into by the Council must be in writing in a form approved by the Head of Legal Services or his delegated officer. Where a standard form of contract is used, or a standard form is to be amended, the form of contract shall be prepared/amended by the Head of Legal Services or his delegated officer. The Head of Legal Services shall retain all relevant contract documents.

~~11.12.3~~11.15.3 The relevant Head of Service must formally notify the Head of Legal Services (or nominated officer) of the award of all contracts with the relevant data for the purpose of it being recorded on the Council Contract Register.

~~11.12.4~~11.15.4 Every ~~contract~~ shall include wherever possible the standard clauses set out in Standard Form of Agreement issued and updated from time to time by the Head of Legal Services or his nominated officer and available from Legal Services.

~~11.12.5~~11.15.5 As a minimum, where appropriate, all contracts ~~of a value of £9,999 or more~~ shall include clauses which set out:

- the works, supplies (goods), services, material, matters or things to be carried out or supplied;

- the time within which the contract is to be performed. Quality requirements and/or standards which must be met;
- requirements on the contractor to hold and maintain appropriate insurance;
- what happens in the event that the contractor fails to comply with its contractual obligations (in whole or in part);
- requirements on the contractor to comply with all relevant equalities and health and safety legislation;
- that the Council shall be entitled to cancel the contract and recover losses in the event that the contractor does anything improper to influence the Council to give the contractor any contract or commits an offence under the Bribery Act 2010.
- payment obligations which require that:
 - a. any payment due from the Council is made no later than 30 days from the date on which the relevant invoice is regarded as valid and undisputed; and
 - b. any subcontract imposes obligations similar to those required above (a) and an obligation that the subcontractor is required to impose such obligations in any further subcontract.
- All contracts shall include relevant specifications and/or briefs/technical requirements which are prepared taking into account the need for effectiveness of delivery, quality, sustainability and efficiency (as appropriate). ~~and the information set out in the Council's Desktop Procurement Guide~~

11.13.11.16 Legal Consideration

~~11.13.11.16.1~~ 11.13.11.16.1 *Indemnities*; No relaxation of full indemnities releasing the Council from all liability whether provided by public liability insurance or other instrument should be allowed unless authorised in writing by the Head of Legal Services and the Head of Finance or nominated Officer.

~~11.13.211.16.2~~ 11.13.211.16.2 *Risk Assessment & Performance Bond*; Where a contract is estimated to exceed ~~£49,999~~£500,000, in value or amount and is for the execution of works (or for the supplies ~~y of goods or materials~~ or services by a particular date or series of dates) the relevant Head of Service should consider requiring a performance bond (for an amount equal to 10% of the value of the contract) from the contractor. The bond must be in a form approved by Legal Services and must be included in the Invitation to Tender. This is to provide sufficient security for the due performance of the contract. If a performance bond is considered not necessary then the relevant Head of Service must:

- a. undertake a risk assessment in writing; ~~and~~
- b. seek approval from the Head of Finance; ~~and~~

c. keep a copy the risk assessment on the contract file for inspection.

~~11.13.3~~11.16.3 *Insurances*; Every contract should be assessed for risk. If the risk assessment identifies the need for insurance the Head of Service must:

- in consultation with the Head of Finance or nominated Officer set adequate levels of insurance cover. This includes employer's liability, public liability and any other as determined by the needs of the particular contract;
- in consultation with the Head of Finance or nominated Officer ensure that the required insurances are in fact held by the contractor and that the policies concerned are renewed, if necessary, during the period required;
- in consultation with the Head of Finance or nominated Officer who must ensure the contractor's status under the Inland Revenue Construction Industry Tax Deduction Scheme (for construction contracts);
- in consultation with the Head of Finance set an appropriate level of consultants' professional indemnity insurance for each specific contract that require professional and/or design services (for Consultancy agreements), minimum £5,000,000 cover unless the Risk Manager feels that a greater amount is required if so determined by the risk assessment process. This should not be a standard level but be assessed on a case by case basis.

~~11.13.4~~11.16.4 *Sealing*: All contracts above the value of £49,999 shall be sealed. The affixing of the seal shall be attested and witnessed in writing by the Head of Legal Services, or an Officer duly designated by them in accordance with the delegated powers conferred by the Council. An entry of every sealing of a document shall be made and consecutively numbered in a book to be provided for the purpose and shall be signed by the person attesting the sealing.

The Common Seal shall be in the Custody of the Head of Legal Services and kept in a safe place at their discretion. The Common Seal of the Council may be affixed to any document that has been approved by a resolution of the Council; or of the appropriate Committee or an Officer to which the Council or the Executive has delegated its powers on its behalf, provided that a resolution of the Council or of the appropriate Committee or Officer where that appropriate Committee or Officer has the appropriate authority authorising the acceptance of any tender, the purchase, sale, letting or taking of any property, the issue of stock, the presentation of any petition, memorial or address, the making of any rate, contract or order, or any other matter or thing, shall be a sufficient authority for sealing any document necessary to give effect to the resolution.

The Common Seal of the Council may be affixed to any:

- petition to be presented to Parliament against the promotion of any Bill or confirmation of any Provisional Order which the Council opposes;

- mortgage in respect of a loan arranged by the Head of Finance or nominated Officer under the powers of Heads of Service approved by the Council;
- incomplete form of transfer for the duly authorised sale of securities by the Council as necessary for the purposes of dealing with stocks and shares in accordance with the Stock Transfer Act 1963.

~~41.13.5~~11.16.5 *Signature of Documents:* Where any document will be a necessary step in legal proceedings on behalf of the Council it shall, unless any enactment otherwise requires or authorises or the Council shall have given the necessary authority to some other person for the purpose of such proceedings, be signed by the Head of Legal Services.

~~41.13.6~~11.16.6 Where it becomes necessary to execute any document on behalf of the Council not required by law to be under Seal, the Head of Legal Services or an Officer designated by them in accordance with the delegated powers conferred by the Council shall be deemed to have authority to sign such a document accordingly. A register of such documents shall be kept by the Head of Legal Services or Officer duly designated by them.

~~41.13.7~~11.16.7 *Counsel:* Within budget, the Head of Legal Services (or nominated offer) shall have discretion to select Counsel, obtain Counsel whenever it is considered expedient in the Council's interest to do so.

West Berkshire Council Constitution

Part 12

Personnel Rules of Procedure

Document Control

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1	May 2011	Numbers realigned due to the removal of the previous Section 8 of the Constitution	
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4	December 2014	12.1.1, 12.1.2, 12.1.3, 12.1.8 and 12.2.1	

Any Acts, Rules or Regulations mentioned in the text of this document can be accessed on the Office of Public Sector Information website at:
<http://www.opsi.gov.uk/legislation/uk>

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 01635 519045 who will be able to help.

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12.1 Recruitment and Appointment

12.1.1 Recruitment and Selection Policy

Recruitment of staff will be in accordance with the Council's adopted Recruitment and Selection Policy. It is the Council's policy to carry out all recruitment and selection activities to ensure that:

- Selection for interview and appointment is based solely on the qualifications, skills, experience and abilities necessary to do the job;
- Opportunities for promotion for existing employees are encouraged by advertising suitable vacancies internally only in the first instance;
- Disabled applicants who meet the minimum selection criteria for the job are guaranteed an interview;
- The Council works towards a workforce which matches, as closely as possible, the demographic make-up of the population of West Berkshire.

12.1.2 Legislation

The Council's recruitment and selection policy and procedures are governed by legislation and codes of practice, particularly the law relating to equality. The Council's recruitment and selection policy is set out in the Recruitment and Selection Policy, Procedure and Guidance document on the Council's intranet.

12.1.3 Declarations

These will be considered as follows:

- The Council will draw up a statement requiring any candidate for appointment as an Officer to state in writing whether they are a relative or partner of an existing Councillor or employee of the Council.
[Note: For the purposes of this paragraph a 'relative' is defined as a person who is related by blood or marriage.]
- A candidate who fails to disclose such a relationship shall be disqualified for the appointment and if appointed shall be liable to dismissal without notice.
- Every Member and Officer of the Council at senior management level or above shall disclose to the Chief Executive any relationship known to them to exist between themselves and any person they know is a candidate for an appointment with the Council.
- Where the recruiting manager selects for appointment a candidate who has a declared relevant relationship, they must clear the appointment with their Head of Service.
- Where one party to the relationship is the Head of Service, the appointment should be authorised by the Corporate Director and Head of Human Resources.

12.1.4 Seeking Support for an Appointment

The following conditions will apply:

- (a) Subject to Rule (c) below, the Council will disqualify any applicant who directly or indirectly seeks the support of any Councillor for any appointment with the Council. The content of this Rule will be included in any recruitment information.
- (b) Subject to Rule (c) below, no Member will seek support for any person for any appointment with the Council.
- (c) Nothing in Rule (a) and (b) above will preclude a Member from giving a written reference for a candidate for submission with an application for employment.

12.1.5 Recruitment of Chief Executive, Corporate Directors and Heads of Service

Where the Council proposes to appoint a Chief Executive, Corporate Director or Head of Service, and it is not proposed that the appointment be made exclusively from among their existing Officers, the Council will:

- (a) draw up a statement specifying:
 - the duties of the Officer concerned; and
 - any qualifications or qualities to be sought in the person to be appointed;
- (b) make arrangements for the post to be advertised in such a way as is likely to bring it to the attention of persons who are qualified to apply for it;
- (c) make arrangements for a copy of the statement mentioned in (a) to be sent to any person on request.

12.1.6 Appointment of Chief Executive

The full Council will approve the appointment of the Chief Executive following the recommendations of the Appointments Panel. The Appointments Panel will include at least one Member of the Executive.

The full Council may only make or approve the appointment of the Chief Executive where no well-founded objection has been made by any Member of the Executive.

12.1.7 Appointment of Corporate Directors and Heads of Service

Corporate Directors and Heads of Service will be appointed by the Appointments Panel, which will include at least one Member of the Executive.

An offer of employment as a Corporate Director or Head of Service shall only be made where no well-founded objection from any Member of the Executive has been received.

12.1.8 Other Appointments

The following conditions will apply:

- Appointment of Officers below Head of Service (other than Group Executives) is the responsibility of the Chief Executive or their nominee and may not be made by Members.
- Appointment of a Group Executive shall be made in accordance with the wishes of that political group.

12.2 Disciplinary Action

12.2.1 Suspension

In terms of suspension, it must be noted that:

- only the Chief Executive has the authority to suspend a Corporate Director;
- only the Chief Executive or a Corporate Director has the authority to suspend a Head of Service;
- only an Officer at Head of Service level or above, or nominated manager where the Head of Service has authorised delegation, has the authority to suspend an employee not covered in the two points above.

12.2.2 Disciplinary action

Members will not be involved in disciplinary action against any Officer below Head of Service except where such involvement is necessary for any investigation or enquiry into alleged misconduct. However, the Council's disciplinary, capability and related procedures, as adopted from time to time, may allow a right of appeal to Members in respect of disciplinary action.

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12.2.3 Dismissal

Members will not be involved in the dismissal of any Officer below Head of Service level except where such involvement is necessary for any investigation or inquiry into alleged misconduct, through the Council's disciplinary, capability and related procedures, as adopted from time to time may allow a right of appeal to Members in respect of dismissals.

Deleted: [Note: This procedure does not apply to the following employees: The Chief Executive, the Section 151 Officer or the Monitoring Officer who are subject to Statutory Regulations. Any disciplinary action against them must only be taken on the basis of a report from the Designated Independent Person and in accordance with the relevant statutory requirements.]¶

Any proposal to dismiss the Chief Executive, the Section 151 Officer or the Monitoring Officer will be considered by full council, taking account of any advice, views or recommendations of the independent panel, the conclusions of any investigation into the proposed dismissal, and any representations from the relevant officer. The independent panel must be appointed under the terms of Schedule 3 of the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015, at least 20 working days before any meeting at which dismissal is to be considered.

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12.3 Appointment of Assistants to Political Groups

12.3.1 Number of Posts

The Local Government and Housing Act 1989 enables Councils to create not more than three posts of Assistants to Political Groups.

12.3.2 Rules Relating to Creation of Posts

It also specifies processes that must be included in the Council's Rules relating to the making of appointments to any such posts. These are set out below:

- No such appointment shall be made until the Council has allocated such a post to each political group, which qualifies for one under the Act.
- No such appointment shall be made in respect of any political group, which does not qualify for one under the Act.
- Not more than one post shall be allocated to any political group.
- The appointment of an assistant to a political group shall be made in accordance with the wishes of that political group