

AGENDA

Meeting: Audit Committee

Place: Kennet Room - County Hall, Bythesea Road, Trowbridge, BA14 8JN

Date: Wednesday 26 June 2019

Time: 2.00 pm

Please direct any enquiries on this Agenda to Jessica Croman, of Democratic Services, County Hall, Bythesea Road, Trowbridge, direct line 01225 718262 or email jessica.croman@wiltshire.gov.uk

Press enquiries to Communications on direct lines (01225) 713114/713115.

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Membership:

Cllr Richard Britton (Chairman)
Cllr Stewart Dobson (Vice-Chairman)
Cllr Gavin Grant
Cllr Mike Hewitt
Cllr Edward Kirk
Cllr Tony Jackson

Cllr Andy Phillips
Cllr Ian Thorn
Cllr John Walsh
Cllr Anna Cuthbert
Cllr Stuart Wheeler

Substitutes:

Cllr Peter Evans
Cllr Ross Henning
Cllr Ruth Hopkinson
Cllr Jon Hubbard

Cllr Jim Lynch
Cllr Ricky Rogers
Cllr Pip Ridout
Cllr Roy While

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Public Participation

Please see the agenda list on following pages for details of deadlines for submission of questions and statements for this meeting.

For extended details on meeting procedure, submission and scope of questions and other matters, please consult [Part 4 of the council's constitution](#).

The full constitution can be found at [this link](#).

For assistance on these and other matters please contact the officer named above for details

AGENDA

Part I

Items to be considered while the meeting is open to the public

1 **Apologies**

To receive any apologies or substitutions for the meeting.

2 **Minutes of the Previous Meeting** (*Pages 5 - 10*)

To confirm and sign the minutes of the meeting held on

3 **Declarations of Interests**

To receive any declarations of disclosable interests or dispensations granted by the Standards Committee.

4 **Chairman's Announcements**

5 **Public Participation**

The Council welcomes contributions from members of the public.

Statements

If you would like to make a statement at this meeting on any item on this agenda, please register to do so at least 10 minutes prior to the meeting. Up to 3 speakers are permitted to speak for up to 3 minutes each on any agenda item. Please contact the officer named on the front of the agenda for any further clarification.

Questions

To receive any questions from members of the public or members of the Council received in accordance with the constitution.

Those wishing to ask questions are required to give notice of any such questions in writing to the officer named on the front of this agenda no later than 5pm on **(4 clear working days, e.g. Wednesday of week before a Wednesday meeting)** in order to be guaranteed of a written response. In order to receive a verbal response questions must be submitted no later than 5pm on **(2 clear working days, eg Friday of week before a Wednesday meeting)**. Please contact the officer named on the front of this agenda for further advice. Questions may be asked without notice if the Chairman decides that the matter is urgent.

Details of any questions received will be circulated to Committee members prior to the meeting and made available at the meeting and on the Council's website.

6 **Draft Annual Governance Statement** (*Pages 11 - 28*)

To consider the draft Annual Governance Statement.

7 **Draft Statement of Accounts** (*Pages 29 - 116*)

To consider the draft Statement of Accounts.

8 **Annual SIRO Report** (*Pages 117 - 134*)

To consider the annual SIRO report.

9 **Outstanding Internal Audit Recommendations** (*Pages 135 - 196*)

To receive a report on outstanding Internal Audit Recommendations.

10 **Forward Work Programme** (*Pages 197 - 198*)

To note the Forward Work Programme

11 **Date of Next Meeting**

To note that the next regular meeting of the Committee will be held on 24 July 2019.

12 **Urgent Items**

Any other items of business, which the Chairman agrees to consider as a matter of urgency.

Part II

Items during whose consideration it is recommended that the public should be excluded because of the likelihood that exempt information would be disclosed

AUDIT COMMITTEE

DRAFT MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 17 APRIL 2019 AT KENNET ROOM - COUNTY HALL, BYTHESEA ROAD, TROWBRIDGE, BA14 8JN.

Present:

Cllr Richard Britton (Chairman), Cllr Gavin Grant, Cllr Edward Kirk, Cllr Tony Jackson and Cllr John Walsh

Also Present:

Cllr Whitehead

16 **Apologies**

Apologies were received from Cllrs Stuart Dobson, Ian Thorn, Mike Hewitt, Leo Randall and Andy Phillips.

17 **Minutes of the Previous Meeting**

Decision

To approve the minutes of the meeting held on 6 February 2019.

18 **Declarations of Interests**

There were no declarations of interest.

19 **Chairman's Announcements**

The Chairman welcomed Charlotte Wilson, SWAP, to the meeting.

The Chairman noted that the Chairman's briefing did not take place as intended and that communication would take place with officers before the next meeting.

20 **Public Participation**

There were no public in attendance or any questions received.

21 **Q4 IA Update and Year End Summary**

David Hill, SWAP, introduced the report informing the committee that SWAP had identified a significant risk, in this case an action plan had been agreed and monitoring of the implementation would continue; in other cases a no assurance and partial assurance had been identified, action plans were also in place and SWAP would continue to monitor their progress.

It was also noted that there were a number of outstanding recommendations which SWAP had been chasing with mixed response. A full list of the outstanding recommendations would be brought to the next meeting.

In response to questions SWAP informed the meeting that; SWAP were happy with their performance throughout the year; discussions were taking place on whether the 5 day reporting process should be increased to 10 days which was more realistic; some of the 18/19 projects would roll over into 19/20, those projects would be completed within the 18/19 budget and liaised with the S151 officer.

22 **Draft Internal Audit Plan**

The Draft Internal Audit Plan was briefly discussed. In response to questions asked, SWAP noted that they were currently carrying out a self-assessment against the Public Sector Internal Audit Standards. There is a requirement to undertake an assessment every five years to ensure conformance to these Standards, SWAP undertake a review every three years. Their next step would be to appoint an external assessor and the results would be available in November 2019.

23 **Report on 2018/19 Close Down and External Audit Plan Update**

Deloitte explained that there was a detailed close down plan and that all was on course to be completed in accordance with the statutory deadlines.

It was noted that the draft Annual Governance Statement would be brought to an extraordinary Audit Committee in June.

24 **Risk and Performance Policy Report**

Cllr Whitehead introduced the item noting that the report had already been agreed by Cabinet. Implementation of the policy was briefly discussed and the Chairman explained that it was the Audit Committees responsibility to have oversight of the policy's implementation and would like to see an update at the November committee meeting.

There was a discussion of the scoring of the organisation's reputational risk and its potential financial consequences and it was agreed to lower the risk level to 12.

At the end it was;

Resolved

To recommend that the reputational score level be lowered to 12.

25 **Accounting Policies**

Becky Hellard, Interim Director of Finance and Procurement, introduced the item noting that two significant changes in accounting policies had taken place. Both changes related to the IFRS code of practice, which was the guidance used to create the statement of accounts.

As a response to questions asked it was noted that: All costs associated with asset disposal were fully accounted for; Community Infrastructure Levy (CIL) payments were issues on a six monthly basis, drew down within the same year and officers worked closely with the CIL team to understand the financial position and encouraged members to work with the local parishes to utilise the funds.

Deloitte confirmed that the Council was unable to separate the pension accounts from the councils accounts.

26 **Governance of Partnership Working**

Ian Gibbons, Director , Legal, Electoral & Registration Services & Monitoring Officer, introduced the report which proposed a framework for governing the council's partnership arrangements. The framework had a risk based approach which aligned with business priorities.

The Chairman welcomed the report.

It was noted that the recommendation should be reworded to 'To ask the Standards Committee to'.

27 **Draft Annual Governance Statement**

David Hill, SWAP, referred to the presentation slides included with the agenda and explained the new approach being taken to prepare the Annual Governance Statement. The approach involved reviewing the Local Code of Corporate Governance quarterly.

28 **Local Code of Corporate Governance**

It was noted that the revised draft suggested that quarterly reviews of the Local Code of Governance should take place and a member of the Audit Committee

was invited to join. The Chairman agreed to email all of the committee members after the meeting due to some members being absent.

29 **Anti-Fraud, Theft and Bribery & Anti-Money Laundering**

Becky Hellard, Interim Director Finance & Procurement, presented the revised policies and strategy, noting that detailed action plans would be presented at the next meeting.

29 **Anti-Fraud, Theft and Bribery Policy**

A question was raised on the recognition and reward for whistle blowers and it was noted that mandatory training took place during employee inductions and the annual governance statement reviewed its effectiveness, more of a concern was the challenge of creating an organisational culture where employees were more aware of each other. It was also noted that, the Council had access to third party records as it was written into standard contract arrangements.

29 **Anti-Fraud, Theft and Bribery Strategy 2019-2022**

The Chairman thanked officers for the revised strategy and suggested some word changes.

29 **Anti-Money Laundering Policy**

The Chairman requested that the definition of money laundering be brought forward so it would be earlier in the policy.

30 **Finance Director Recruitment Update**

There was no update.

31 **Forward Work Programme**

The forward work plan would be updated and circulated.

32 **Date of Next Meeting**

The next meeting would be an extraordinary meeting to review a draft of the Annual Governance Statement and would be confirmed as soon as possible.

33 **Urgent Items**

There were no urgent items.

(Duration of meeting: 10.00 am - 12.30 pm)

The Officer who has produced these minutes is Jessica Croman, of Democratic Services, direct line 01225 718262, e-mail jessica.croman@wiltshire.gov.uk

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Wiltshire Council

Cabinet/ Audit Committee

2 July 2019/ 26 June 2019

Subject: Draft Annual Governance Statement 2017/18

Cabinet Members:

Cllr Philip Whitehead - Cabinet Member for Finance, Procurement, ICT and Operational Assets

Cllr Richard Clewer – Cabinet Member for Housing, Corporate Services, Arts, Heritage and Tourism

Key Decision: No

Executive Summary

The Annual Governance Statement for Wiltshire Council should demonstrate how the Council is meeting the principles of good governance adopted in its Code of Corporate Governance. A draft statement has been prepared based on the local code of corporate governance agreed by Cabinet.

Proposal(s)

Audit Committee and Cabinet are therefore, asked:

- a. to consider the draft AGS as set out in Appendix 1 and make any comments or changes as they see fit;
- b. to note that the draft AGS will be revised in the light of any comments before final approval by the Audit Committee and publication with the Statement of Accounts and Senior Information Risk Owner Annual Report at the end of July 2019.

Reason for Proposal

The Council is required, as part of its annual review of the effectiveness of its governance arrangements, to produce an Annual Governance Statement (AGS) for 2018/19. This will be signed by the Leader of the Council and the Corporate Directors after final approval by the Audit Committee on 24 July 2019. The AGS will form part of the Annual Statement of Accounts for 2018/19.

Ian Gibbons

Director, Legal, Electoral and Registration Services (Monitoring Officer)

Wiltshire Council

Audit Committee/ Cabinet

26 June/ 2 July 2019

Subject: Draft Annual Governance Statement 2017/18

Cabinet members: Cllr Philip Whitehead, Cllr Richard Clewer

Key Decision: No

Purpose of Report

1. To ask Audit Committee and Cabinet to consider a draft Annual Governance Statement for 2018/19 for comment before final approval is sought from the Audit Committee on 24 July 2019.

Background

2. The Council is required, as part of its annual review of the effectiveness of its governance arrangements, to produce an Annual Governance Statement (AGS) for 2018/19. This will be signed by the Leader of the Council and the Corporate Directors after final approval by the Audit Committee on 24 July 2019. The AGS will form part of the Annual Statement of Accounts for 2018/19.
3. The format of the AGS follows recent advice from the Chartered Institute of Public Finance and Accountancy (CIPFA), with an onus on making it focused and readable. This is also the format of the [Local Code of Corporate Governance](#) that Cabinet at its meeting on 11 June recommended for adoption to full council on 9 July.
4. The AGS for Wiltshire Council should demonstrate how the Council is meeting the principles of good governance adopted in its Code of Corporate Governance. These principles aim to ensure the Council is:
 - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
 - Ensuring openness and comprehensive stakeholder engagement
 - Defining outcomes in terms of sustainable economic, social and environmental benefits
 - Determining the interventions necessary to optimise the achievement of intended outcomes
 - Developing capacity, including the capacity of the Council's leadership and the individuals within it
 - Managing risks and performance through robust internal controls and strong public financial management.
 - Implementing good practices in transparency, reporting and audit to deliver accountability

5. The AGS is primarily retrospective. It reports on the assurance framework and measures in place for the financial year 2018/19, but must take account of any significant issues of governance up to the date of publication of the Statement of Accounts in July 2019. The AGS should outline the actions taken or proposed to address any significant governance issues identified.
6. The AGS is drafted by senior officers who have lead roles in corporate governance. The evidence for the AGS comes from a variety of sources, including service plans, relevant lead officers within the organisation, internal and external auditors and inspection agencies.
7. In last year's Annual Governance Statement the Council identified a number of areas where further improvements to can be made to strengthen its governance framework. Much of the details of these areas for improvement are covered in this year's draft Annual Governance Statement but to enable simple comparison details of the progress made on these specific areas since 2018 is summarised below:

Summary of improvements suggested in 2017/18

- a. Responding to the recommendations in peer reviews including the Corporate Peer, SEND and CQC reviews. This will include assessing the impacts on the delivery of the Council's Business and Financial Plans of external factors including the Social Care green paper expected Summer 2018, changes to the Business Rates system and lessons learnt from the s114 issued at Northamptonshire County Council.

Action Plans for the relevant inspections and reviews have been drawn up and progress monitored by the Overview and Scrutiny Management Committee, Families and Children's Transformation Programme and the Health and Wellbeing Board. The Social Care green paper has been repeatedly delayed and the outcome of the fairer funding review is still awaited from central government.

- b. Embedding improvements to data protection to be compliant with the new regulatory framework.

Mandatory training on GDPR has been rolled out across the council; further detail is provided in the SIRO annual report.

- c. Responding to an event in March 2018 that occurred in Salisbury the Council will seek to learn and share lessons surrounding the event, as well as assess the long-term impact and actions needed for the County, Council and Partners.

The Salisbury and Amesbury incidents in March and July 2018 had significant implications for the county, council and partners. The council has continued to participate in evaluations of the response and recovery, sought funding from central government and diverted funding from reserves as appropriate.

- d. Ensuring the new waste contract is mobilised effectively in line with current plans for July 2018.

Waste had a net overspend of £4.099 million, this is after the release of the reserve identified for Waste of £1.250 million that was set aside as part of 2017/18 outturn. The majority of this overspend was due to the significant delay in the Council's Contractor obtaining planning permission for construction of a

Materials Recovery Facility (MRF) to sort dry recyclable materials. As a consequence, the contract for sorting dry recyclable materials (Lot 1) and the contract for collection of waste and recycling (Lot 5), which commenced on 30 July 2018, could not be delivered as originally intended. An interim service was put in place to enable the collection and recycling of additional plastic materials from the blue lidded bin. However, this required the use of additional vehicles and employment of additional staff as the collection of dry recyclable materials continued to be based on separate collection of materials from the black box.

In addition, a number of savings proposals for 2018/19 around the new contract were not achieved. This was due to a combination of the delay in implementing the service changes referred to above and the availability of sufficient resource in the Waste and IT teams, given ongoing work on implementing new systems for management of the waste contracts.

Landfill tax was £0.598 million above budget. In 2018/19 the budget was reduced to reflect a forecast reduction in tonnes of waste to landfill as a result of the cessation of collection of commercial waste and other 2018/19 savings initiatives. These savings proposals have been implemented but the anticipated reduction in tonnes has not been seen. The Waste Budget has been rebased for 2019/20 based on the forecast contract models and tonnage expectations.

- e. Improving the Council's counter fraud framework including greater awareness and response. There will be a review of the inter-relationship between key policies to improve clarity and consistency of processes including: Anti-Fraud and Corruption, Whistle Blowing, complaints and some staff policies, such as registering interests, gifts and hospitality.

Audit Committee have approved the new counter fraud framework and a review of the inter-relationship of key policies has taken place. Accompanying action plans will be finalised within 2019.

- f. How the Council collects general feedback from individuals and communities to assess improvements in approach

This action has not been undertaken is being taken forward during 2019.

- g. Reporting of finance and performance and risk management will be more closely aligned. A review of the relevant Corporate Performance Strategy and Risk Management Strategy will take place to ensure a focus on links between the use of resources and the outcomes being achieved. Alongside this there will be a focus on delivery of comprehensive plans for change for council services and a review of council commissioning, procurement and contract management.

A new risk and performance management policy was agreed in February 2019 to replace the previously separate Corporate Risk Strategy and Corporate Performance Strategy. July 2019 will see the first aligned quarterly finance and performance report to cabinet.

Main Consideration for the Council Draft AGS - Content

8. A draft AGS for 2018/19 is attached at Appendix 1. The draft will be updated in the light of any observations of Cabinet and Audit Committee,

as well as external audit (Deloitte).

9. The Council's internal auditors have given an overall audit opinion of reasonable assurance on the effectiveness of the Council's control environment for 2018/19.
10. The final sections of the draft AGS require the Council to identify any significant internal control issues affecting the Council during the relevant period. CIPFA guidance suggests that an internal control issue is to be regarded as significant if:
 - the issue has seriously prejudiced or prevented achievement of a principal objective;
 - the issue has resulted in a need to seek additional funding to allow it to be resolved, or has resulted in significant diversion of resources from another aspect of the business;
 - the issue has led to a material impact on the accounts;
 - the audit committee, or equivalent, has advised that it should be considered significant for this purpose;
 - the Head of Internal Audit has reported on it as significant, for this purpose, in the annual opinion on the internal control environment;
 - the issue, or its impact, has attracted significant public interest or has seriously damaged the reputation of the organisation;
 - the issue has resulted in formal action being taken by the Chief Financial Officer and/or the Monitoring Officer.
11. At this stage it is proposed to include the following governance issues as areas for improvement:
 - Agree an updated Corporate Equality Plan for 2019/20
 - Review the arrangements for dealing with code of conduct complaints (Protocol 12)
 - Review and update as appropriate the Behaviour's Framework
 - Review the procurement approach to social value
 - Adopt a new Partnership Working Framework (replace Protocol 8 of the constitution) and undertake an audit of partnership arrangements across the council
 - Review the Wiltshire Compact and role of Wiltshire Assembly
 - Agree new consultation policy/ guidance to replace the 2015 consultation strategy
 - Consider options for collecting feedback from residents, including surveys
 - Review Part 4 of the constitution in relation to petitions
 - Fully implement the peer review recommendations by developing an outcome-based planning process aligned to budget build
 - Consider additional resource for service delegation and asset transfer delivery
 - Respond to the findings of an Ofsted inspection in May/ June 2019 building on the previous progress that has been made.
 - Review the effectiveness of the commercial policy and current commissioning approaches.
 - Implement the newly adopted Part 10 of the constitution on

procurement and contract rules; aligned to a regularly updated Annual Procurement Plan and medium-term contract management strategy. Embed good commissioning and contract management as part of staff job descriptions.

- Deliver outstanding waste service changes and saving initiatives
- Rollout training and awareness on decision making processes following a review of corporate governance practices
- Review business intelligence (data analysis and insight) functions across the council and supporting systems
- Review how performance can be communicated to the public to deliver maximum openness and transparency.
- Combine financial reporting and performance and risk reporting in the same quarterly report to Cabinet and embed good practice across the council
- Review how the council collects general feedback from individuals and communities to assess improvements in approach (such as residents surveys)
- Align organisational processes more closely to the outcomes in the Business Plan to ensure a focus on the resources used and outcomes achieved
- Finalise accompanying action plans for the counter fraud framework

12. The governance of the Council will continue to be monitored by Cabinet, other councillor committees and the Council's Corporate Leadership Team. That will include the areas to address identified above.
13. The Council's external auditors, Deloitte LLP, have been consulted on the draft AGS and their comments will be reflected in the final draft to be presented to Audit Committee 24 July 2019.

Safeguarding Implications

14. There are no safeguarding implications arising directly from this report.

Public Health Implications

15. There are no public health implications arising directly from this report.

Environmental and Climate Change Considerations

16. There are no environmental or climate change considerations arising directly from this report.

Equalities Impact of the Proposal

17. There is no impact on equality arising from this report.

Risk Assessment

18. Ongoing review of the effectiveness of the Council's governance arrangements is an important part of the Council's performance and risk management policy.

Financial Implications

19. There are no financial implications arising directly from the issues covered in this report

Legal Implications

20. The production of the AGS is a statutory requirement.

Proposal

21. Audit Committee and Cabinet are therefore, asked:
 - c. to consider the draft AGS as set out in Appendix 1 and make any comments or changes as they see fit;
 - d. to note that the draft AGS will be revised in the light of any comments before final approval by the Audit Committee and publication with the Statement of Accounts and Senior Information Risk Owner Annual Report at the end of July 2019.

Reason for Proposal

22. To prepare the AGS 2018/19 for publication in accordance with the requirements of the Audit and Accounts Regulations.

Baroness Scott of Bybrook OBE

Leader, Wiltshire Council

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becky.hellard@wiltshire.gov.uk

Background Papers

The following unpublished documents have been relied on in the preparation of this report: Local Code of Corporate Governance

Appendices

Appendix 1 Wiltshire Council's Draft Annual Governance Statement 2018/19

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Wiltshire Council

Annual Governance Statement 2018/19

Introduction

Wiltshire Council is a local authority that is responsible for providing services to nearly half a million residents, tens of thousands of varied businesses and over a million visitors per year. It aims to create strong communities, grow the local economy and protect vulnerable people and this approach underlines everything we do. The Council secures funding from national government, local taxation and charges. So, as a public body, it needs to have a strong governance and assurance framework to make certain its business is conducted to the highest standards, ensuring:

- resources are directed in accordance with agreed policy and according to priorities;
- there is sound and inclusive decision making, conducted in accordance with the law and proper standards;
- there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities; and
- public money is safeguarded and properly accounted for, and continuous improvement in the way in which its functions are exercised is secured, having regard to economy, efficiency and effectiveness.

This statement reflects how Wiltshire Council has met those standards in 2018/19 and the ongoing actions it is taking to maintain and improve its governance arrangements. Evidence of how we have assessed ourselves has been grouped into sections as set out by the Chartered Institute of Public Finance and Accountancy (CIPFA) in its publication 'Delivering Good Governance in Local Government Framework (2016)' and is consistent with the Local Code of Corporate Governance.

Approval of the Annual Governance Statement 2018/19

We are satisfied that this statement provides a substantial level of assurance that good governance is in place in Wiltshire Council and that appropriate arrangements are in place to address improvements identified in our review of compliance. Progress on these improvements and on addressing and mitigating the risks will be monitored through the year by senior officers and the Audit Committee.

Alistair Cunningham OBE
Executive Director

Dr Carlton Brand
Executive Director

Terence Herbert
Executive Director

Cllr
Leader of Wiltshire Council

25 July 2019

The Local Code of Corporate Governance provides a means of demonstrating that a sound level of governance is operated. This local code acts as a means of assurance, but also a mechanism for achieving continuous improvement. This approach is consistent with the principles of the CIPFA/SOLACE *Delivering Good Governance in Local Government* framework. The principles are set out below:



The following pages set out a summary of the key governance controls, mapped against the CIPFA principles. These are supported by case studies to help demonstrate where positive improvement action has already been taken, and a note of improvement actions that the Council will take.

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

Respect for the rule of law

The Council's [Constitution](#) provides the framework within which the Council operates. It sets out how decisions are made and the procedures which must be followed to ensure that these are efficient, effective, transparent and accountable.

The constitution is kept under review and in 2018/19 the role and responsibilities of portfolio holders and access to confidential material by councillors have been clarified.

The Constitution includes at Part 13 the **Members' Code of Conduct**, which makes clear the obligation of elected members in promoting and maintaining high standards of conduct and ensuring the principles of public life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership) are adhered to. Pecuniary and non-pecuniary interests are [registered](#) and published on the web site in accordance with the requirements of the Code of Conduct and the underlying legislation.

Behaving with integrity

The Council publishes and promotes both a code of conduct for its staff and a **Behaviours Framework** that details what is expected of all employees. The behaviours framework is embedded throughout the employment lifecycle and forms a key part of the appraisal system to promote ethical awareness amongst the Council's staff.

There is a process for dealing with complaints under the code of conduct for unitary, parish, town and city councillors in Wiltshire. This process and its application is set by the Council and reviewed regularly by the Council's **Standards Committee**. Minutes from the meetings of this Committee can be found [online](#).

Strong commitment to ethical values

Ethical considerations are also evident in the Council's [Procurement Strategy](#) where Social Value is a consideration. The Strategy describes a voluntary charter for suppliers asking for a commitment to local employment, skills, training and environmental issues.

There were 47 complaints last year, 12 in relation to unitary members, 35 parish members. 8 in total were referred for investigation. The number of complaints per year since 2012 has ranged from 24-79.

How we can improve

- Agree an updated Corporate Equality Plan for 2019/20
- Review the arrangements for dealing with code of conduct complaints (Protocol 12)
- Review and update as appropriate the Behaviours Framework
- Review the procurement approach to social value

Principle B - Ensuring openness and comprehensive stakeholder engagement

Openness

The Council makes available a range of important information on its website including its strategic aims and ambitions in its published [Business Plan](#) and via its [publication scheme](#). The council has arrangements for dealing with requests under Freedom of Information laws. In 2018/19 there were 1818 requests with 98% responded to within 20 days

Committee meetings are open to the public, and **agenda papers and minutes** are available on the internet in various formats along with forward work plans/ calendars.

Public consultation plays a key part in the decision-making process, across the full range of the Council's services. Key consultations undertaken during 2018/19 include those on Housing Allocation Policy, Parking Charges, Special Schools, Bus Services and Children's Centres. A **communications protocol** is in place for councillors and officers

The Council supports a range of partnerships including: the [Health and Wellbeing Board](#), promoting integrated working between the council and the NHS; the [Wiltshire Police and Crime Panel](#) which reviews and scrutinises decisions of the Police and Crime Commissioner (the Panel is a joint committee with Swindon Borough Council); and the work of the Swindon and Wiltshire Local Enterprise Partnership ([SWLEP](#)). Cabinet have [reviewed](#) LEP governance as part of a business transfer agreement following the LEP's formal incorporation.

Engaging with institutional stakeholders

Engaging with citizens and service users

Wiltshire Council's 18 **Area Boards** involve the local community in decision-making within the agreed scheme of delegation. 124 area board meetings took place with devolved funding on community grants, youth, health and wellbeing and transport and devolved decision-making powers on community asset transfers.

The **Wiltshire Compact** is an agreed set of guidelines and principles to foster good working relationships between the voluntary sector and the public sector.

Quick, open officer decision making is in place with the ability for local **planning** committees to call-in decisions in response to local concerns. A strategic planning committee oversees the application of the Local Plan. Expectations for [Community Involvement](#) in preparing Wiltshire's planning policy documents and in considering planning applications are clearly set out.

An **electoral review** was conducted by the Local Government Boundary Commission. After consideration of submissions from the council, the LGBCE maintained the number of councillors at 98, noting in particular the importance of our area boards.

How we can improve

- Adopt a new Partnership Working Framework (replace Protocol 8 of the constitution) and undertake an audit of partnership arrangements across the council
- Review the Wiltshire Compact and role of Wiltshire Assembly
- Agree new consultation policy/ guidance to replace the 2015 consultation strategy
- Consider options for collecting feedback from residents, including surveys
- Review Part 4 of the constitution in relation to petitions

Principle C - Defining outcomes in terms of sustainable economic, social and environmental benefits

Defining outcomes

The [Business Plan](#) was agreed in 2017 to enable the vision, priorities and goals set out to be translated into actions that deliver the changes required in the coming years.

Following the publication of the report of the LGA's **Peer Review** on Wiltshire Council in 2018, an [action plan](#) continues to be implemented and overseen by CLT and Cabinet with the Overview and Scrutiny Management Committee monitoring progress on a six to nine monthly basis.

A [Local Development Scheme](#) provides a three year rolling project plan for producing the **local development framework**

The findings of the **CQC Local System Review** in Wiltshire were published June 2018 and a joint [action plan](#) developed with the NHS to address these. The key findings included the need to have a single joined up commissioning strategy that builds on the Better Care Plan, an integrated workforce plan and closely aligned transformation programmes. Wiltshire Council has continued to invest in transformation of adult social care and established a reablement team in 2018/19 which has improved outcomes for clients.

The Council receives reports on the combined economic, social and environmental impacts of its policies in the form of various reports including the **Joint Strategic Needs Assessment (JSNA)**. These also inform community led action planning and inform other schemes such as the Big Pledge.

Community facilities have a key role in supporting people to live more active and fulfilled lives. The campus programme has provided sustainable assets for towns that provide a place, facilities and services that help to combat isolation and loneliness and increase the opportunities for social interaction; and in so doing build strong communities. Several campuses have been completed already and work continues in Calne, Cricklade and Melksham

During 2018/19 significant **service delegation and asset transfer** packages have been or are being negotiated with Devizes, Chippenham and Pewsey and Royal Wootton Bassett Town Councils following the successful asset transfer package for Salisbury City Council. This enables our local communities more of a say on the things that matter to them and will eventually cover the whole county.

How we can improve

Fully implement the peer review recommendations by developing an outcome-based planning process aligned to budget build
 Consider additional resource for service delegation and asset transfer delivery
 Respond to the findings of an Ofsted inspection in May/ June 2019 building on the previous progress that has been made.

Sustainable economic, social and environmental benefits

Principle D - Determining the interventions necessary to optimise the achievement of intended outcomes

Determining and planning interventions

Regular Performance and financial updates are reported to senior officers and councillors, including scrutiny through the **Financial Task Group** which is a task group established by the [Overview and Scrutiny](#) Management Committee.

Oversight of corporate projects is undertaken by the Corporate Leadership Team, supported with advice from Finance, Legal, HR and Procurement Teams. The **Programme Office** manages projects and programmes on behalf of the Council and provides reports to the Council on ongoing work. During 2018/19 the majority of projects were delivered or progressed according to schedule. Monthly reports were provided to CLT with appropriate actions taken.

Significant programmes in 2018/19 include the transformation of adult social care; families and children; and digital. These were supported by the council's system thinking team where appropriate.

Following its adoption in early 2018, the Council continues to implement its new [commercial policy and approach](#) which is designed to improve our data and management information; improve the skills of our staff; use our assets and resources to make financial returns; and review and revise our models of delivery

The council's [annual budget](#) setting process has also seen updates to the Medium Term Financial Strategy and ongoing Capital Programme

The [Corporate Procurement Strategy](#) provides the framework for the council to obtain value and social capital from all of its bought in goods and services. The strategy focuses on the delivery of the following corporate and social goals:

- Identifying and delivering efficiencies, but not at the expense of quality
- Developing and embracing the principles of sustainable procurement

The procurement strategy is used to encourage the adoption of a mixed economy approach, evaluating on the basis of whole life costings and breaking down barriers to participate in council opportunities. Using transparent processes, the council commits to meeting its obligation to ensure that all of our procurement activity addresses relevant social, economic and environmental standards.

Optimising achievement of intended outcomes

How we can improve

Review the effectiveness of the commercial policy and current commissioning approaches. Implement the newly adopted Part 10 of the constitution on procurement and contract rules; aligned to a regularly updated Annual Procurement Plan and medium-term contract management strategy. Embed good commissioning and contract management as part of staff job descriptions. Deliver outstanding waste service changes and saving initiatives.

Principle E - Developing capacity, including the capability of the Council's leadership and the individuals within it

Developing capacity

The Wiltshire Council **People Strategy** focuses on attracting the best people to work for the Council and engaging, developing and retaining existing staff and continues to be implemented.

A bi-annual **staff survey** in 2018 showed an improvement in staff engagement overall (+12% to 70%), and included an increase in positive responses to those who can 'always or frequently' find appropriate training and development opportunities (+13% to 58%).

Managers are required to complete **annual appraisals** with their staff and use these to identify training and development needs and develop plans to address these needs

Following the introduction of the **apprenticeships levy** the council now has over 170 apprentices employed. A new leadership and management development programme launched in 2018 and offers aspiring and developing managers the opportunity to complete accredited qualifications using levy funding. In addition, the council now has the highest number of under 25s employed in recent years at 6.9 per cent, some of which are employed as apprentices. p

Further consideration was given to the alignment of service responsibilities to roles at tier 2 of the organisation and the Business Plan objectives. A **senior management** restructure at tier 2 took place in March 2019, and steps to appoint to roles internally following consultation have been completed. Current actions to recruit to the remaining vacancies are being taken

The council continues to learn by seeking **best practice** from elsewhere and responding to the findings of external inspections such as the CQC Local System Review; and an Ofsted inspection taking place in May/ June 2019. The council is also participating in evaluations of how well we have worked with our civil contingency partners in the response to (and recovery from) the events in south Wiltshire in 2018, which had significant implications for the county, council and partners.

As well as the training provided as part of councillor induction a range of learning material is made available to councillors online via the Wiltshire Council **learning portal**, GROW.

Developing the capability of the Council's leadership and other individuals

How we can improve

Rollout training and awareness on decision making processes following a review of corporate governance practices

Principle F – Managing risks and performance through robust internal controls and strong public financial management

Managing risk and performance

A new [risk and performance management policy](#) was [agreed](#) in February 2019 to replace the previously separate Corporate Risk Strategy and Corporate Performance Strategy

The Council’s risks are monitored at various levels in the organisation including by the Cabinet on a quarterly basis. Managing risks is the responsibility of services who define the risks related to their service areas and assign individuals to be responsible for their management. All services risks are scored on the same basis and some service risks are elevated, through the policy, onto the corporate risk register which is published and reviewed quarterly. An audit of risk management was undertaken in 2018/19 leading to a more nuanced approach on categorisation of risk appetite.

The main **changes in risk** during 2018/19 have been relating to the implications of and uncertainty around Brexit, where the council has worked closely with its partners through civil contingency arrangements to address this possibility; and a greater understanding of financial risk including income generation.

Wiltshire’s section 151 Officer or **Chief Finance Officer** has a statutory duty to ensure that the Council has a strong financial control environment, including an effective and independent Internal Audit function in accordance with the Accounts and Audit Regulations 2015.

The Council is the administering authority for more than 180 employers through the **Wiltshire Pension Fund**, and the [Pension Committee](#) exercises its responsibilities in relation to investment management where it sets investment policy and appoints and monitors external investment managers. This has included participation in the Brunel Pension Partnership (as agreed by full council). The operation of a **Local Pension Board** continues, with the purpose of scrutinising the Council as Administrator for the Wiltshire Pension Fund and ensuring the efficient and effective governance of the pension scheme.

The General Data Protection Regulations came into force in May 2018. The Senior Information Risk Owner’s **(SIRO) Annual Report** outlines how good practice has been embedded and risk managed

Robust internal control and strong public financial management

How we can improve

- Review business intelligence (data analysis and insight) functions across the council and supporting systems
- Review how performance can be communicated to the public to deliver maximum openness and transparency.
- Combine financial reporting and performance and risk reporting in the same quarterly report to Cabinet and embed good practice across the council

Principle G - Implementing good practices in transparency, reporting and audit to deliver accountability

Assurance and effective accountability

The Council has independent external auditors (Deloitte) and the South West Audit Partnership who provide an internal audit function, the Council being the oldest and biggest partner. SWAP's periodic update reports were considered during 2018/19 by the Council's [Audit Committee](#).

As at April 2019, SWAP Internal Audit completed 60 **internal audit** reviews, to draft and final report including significant high risk areas e.g. contract management and project management. Reporting also has included action to follow up implementation. Overall SWAP assessed the Council's control environment as 'reasonable' with no significant issues raised. The Council's **External Auditors** have also not raised any significant matters during 2018/19.

A review of the inter-relationship between key polices has taken place to improve clarity and consistency of processes, including: Anti-Fraud and Corruption, Anti Money-Laundering, complaints and some staff policies, such as Registering interests, gifts and hospitality. New policies have been agreed

Senior directors meet weekly and review on a quarterly basis progress against the ambitions set out in the **Local Code of Corporate Governance**

How we can improve

Review how the council collects general feedback from individuals and communities to assess improvements in approach (such as residents surveys)
Align organisational processes more closely to the outcomes in the Business Plan to ensure a focus on the resources used and outcomes achieved
Finalise accompanying action plans for the counter fraud framework

There is a strong culture operating in the Council of acting to the highest standards. This is rooted in the behaviours expected of councillors and staff, and upheld by the senior leaders. Where any resident feels the Council has not acted properly the Council has a **corporate complaints procedure**

The council has received the Annual Letter of the Local Government and Social Care Ombudsman. There were 64 complaints referred to the Ombudsman in 2018 vs 73 in in 2017, and those upheld fell from 12 to 8.

The **Overview and Scrutiny** committees in Wiltshire Council have undertaken a range of reviews to inform policy development and evaluate decisions of the executive. Key reviews include those on digital services, military-civilian integration, special schools, maternity, children's centres, outdoor education, homelessness, LED lighting and taxi fares. An [Annual Report](#) from the Overview and Scrutiny Management Committee sets out this activity in detail.

The Council complies with reporting requirements such as an [online structure chart](#) and information on senior salaries and expenses.

Implementing good practices in transparency and reporting

WILTSHIRE COUNCIL AUDIT

26 JUNE 2019

WILTSHIRE COUNCIL: STATEMENT OF ACCOUNTS 2018/2019

Purpose of Report

1. To present the Statement of Accounts in respect of the 2018/2019 financial year for Wiltshire Council.

Policy Considerations

2. The Council is required to prepare an annual Statement of Accounts and to arrange for them to be audited and reported in accordance with the Accounts and Audit Regulations 2015 and the 2018/19 Code of Practice on Local Authority Accounting in the United Kingdom, issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). The Statement of Accounts present the overall financial position of the Council reflecting the outturn position above.

Background and Introduction

3. The Code of Audit Practice (issued by the Audit Commission) and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom set out the requirements for the production and publication of the annual Statement of Accounts.
4. The draft Statement of Accounts are required to be certified by the Chief Finance Officer within two months of the financial year end (by 31 May 2019). At Wiltshire Council the Chief Finance Officer is the Director of Finance & Procurement.
5. The draft Statement of Accounts are included at appendix A. During the audit there was a delay in obtaining the final external valuation figures, including for County Farms. Therefore the final statement will be updated to reflect the final valuations.
6. The draft Statement of Accounts are now subject to external audit by the Council's appointed auditors (Deloitte) before the final set is brought to the Audit Committee for final approval on 24 July 2019. This adoption process ensures that there is external independent scrutiny of the figures in the Statement of Accounts before they are brought to the Audit Committee. Under the constitution, in Wiltshire the Statement of Accounts are adopted by the Audit Committee.

Key Issues Arising

7. The draft accounts were signed by the Chief Finance Officer on 31 May 2019, in line with the revised statutory deadline. Deloitte commenced the year end audit on 3 June 2019. The draft accounts were taken to Cabinet on 11 June 2019.
8. The audited Statement of Accounts will be presented to Audit Committee on 24 July 2019, is ahead of the Statutory Deadline of 31 July.
9. The draft outturn on the General Revenue Fund reported to Cabinet on 11 June 2019 was an underspend of £0.357 million and an additional top up deposit of £1.800 million which was returned to General Revenue Fund Reserves. Further details of this were reported to Cabinet on 11 June 2019 in the Revenue Outturn Report.
10. The Housing Revenue Account had a final unaudited outturn underspend of £2.119 million. Additionally, there was a planned draw of £6.503 million from reserves to support the HRA new build programme. This results in an overall draw from reserves of £4.384 million.

Statement of Accounts format

11. The Comprehensive Income & Expenditure Statement summarises the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from local taxation. Authorities raise taxation to cover expenditure in accordance with regulations. This is different from the accounting cost. The Movement in Reserves Statement reflects the true cost to council tax payers of services provided.

12. The national reporting requirements set out that the Accounts are prepared in accordance with a single set of standards for public and private sector bodies. As local authorities are funded from local and national taxation there are a number of technical adjustments made to the Comprehensive Income and Expenditure Account to ensure consistency. These adjustments mean that there is a different reporting position from the outturn. To overcome that there is now a reconciliation statement – the Expenditure Funding Analysis (EFA) that ties into this Outturn report. This identifies £80.549 million of technical adjustments:

	Net Expenditure Chargeable to the General Fund & HRA Balances £000	Adjustments between Funding and Accounting Basis (see note 13) £000	Net Expenditure in the Comprehensive Income & Expensive Statement £000
General Fund Services			
ASC Operations - Access & Reablement	51,935	2,201	54,136
Learning Disability & Mental Health	66,375	1,052	67,427
Commissioning	28,538	318	28,856
Public Health & Protection	1,515	530	2,045
Legal & Democratic	4,282	534	4,816
Family & Children Services	66,049	4,922	70,971
Education & Skills	(441)	24,047	23,606
Communities & Communications	6,833	3,828	10,661
Human Resources & Org Development	3,061	400	3,461
Economic Development & Planning	2,837	1,498	4,335
Highways & Transport	28,640	11,973	40,613
Waste & Environment	40,436	4,527	44,963
Housing & Commercial Development	14,479	13,291	27,770
Corporate Services & Digital	14,054	2,013	16,067
Finance	6,401	1,010	7,411
Corporate Directors	3,192	77	3,269
Corporate	(10,797)	19,833	9,036
Net Cost of Service General Fund	327,389	92,054	419,443
Housing Revenue Account (HRA)	4,384	(8,260)	(3,876)
Transfer to Earmarked Reserves	3,245	(3,245)	0
Net Cost of Service	335,018	80,549	415,567

13. The Technical adjustments are then examined further in note 13 to the Statements and reflect changes for pensions, depreciation and other factors such as PFI transactions that do not impact on council tax funding:

	Adjustments for Capital Purposes (Note 13a)	Net change for the Pension Adjustments (Note 13b)	Other Differences (Note 13c)	Total Adjustments
	£000	£000	£000	£000
General Fund Services				
ASC Operations - Access & Reablement	1,176	1,004	21	2,201
Learning Disability & Mental Health	346	667	39	1,052
Commissioning	1	297	20	318
Public Health & Protection	14	510	6	530
Legal & Democratic	65	464	5	534
Family & Children Services	2,361	2,532	29	4,922
Education & Skills	23,868	1,782	(1,603)	24,047
Communities & Communications	2,688	1,135	5	3,828
Human Resources & Org Development	36	359	5	400
Economic Development & Planning	743	750	5	1,498
Highways & Transport	11,291	674	8	11,973
Waste & Environment	4,196	397	(66)	4,527
Housing & Commercial Development	14,611	469	(1,789)	13,291
Corporate Services & Digital	1,047	950	16	2,013
Finance	279	735	(4)	1,010
Corporate Directors	0	70	7	77
Corporate	0	872	15,716	16,588
Housing Revenue Account (HRA)	463	264	(8,987)	(8,260)
Net Cost of Service	63,185	13,931	3,433	80,549

Overview and Scrutiny Engagement

14. There is a 30 working day public inspection period where interested parties may come in to inspect the accounts. This runs from 3 June 2019 to 12 July 2019.
15. The Wiltshire Pension Fund Statement of Accounts will be reported to the Pension Committee on 20 June 2019. Once approved, subject to the completion of the audit, the Wiltshire Pension Fund Financial Statements 2018/19 will be referred to the Audit Committee on 24 July 2019 as part of the Final Accounts.

Safeguarding Implications

16. None have been identified as arising directly from this report.

Public Health Implications

17. None have been identified as arising directly from this report.

Procurement Implications

18. None have been identified as arising directly from this report.

Equalities Impact of the Proposal

19. None have been identified as arising directly from this report.

Environmental and Climate Change Considerations

20. None have been identified as arising directly from this report.

Risk Assessment

21. None.

Financial Implications

22. There are no direct financial implications associated with this report.

Legal Implications

23. There are no direct legal implications associated with this report.

Recommendations

24. That the Audit Committee receives and notes the draft Statement of Accounts for 2018/2019.

Reason for Recommendations

25. To ensure the Audit Committee are aware of the draft Statement of Accounts for 2018/2019.

BECKY HELLARD

Interim Director, Finance & Procurement

Report Author

Matthew Tiller, Chief Accountant

The following unpublished documents have been relied on in the preparation of this report:

Appendices:

Appendix A

Wiltshire Council Statement of Accounts 2018/2019

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Wiltshire Council

DRAFT UNAUDITED

Annual Report and Statement of Accounts

2018/2019

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Leader's introduction & Corporate Directors introduction

To be inserted before final version

Director of Finance's Narrative Report

To be inserted before final version

Annual Governance Statement

The Annual Governance Statement will be added upon its completion and approval at Audit Committee

Statements to the Accounts

The Statement of Responsibilities for the Statement of Accounts

The Council's Responsibilities

The Council is required to:

- Arrange for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the management of those affairs. In this Council, that officer is the Chief Financial Officer;
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets; and
- Approve the Statement of Accounts.

The Chief Financial Officer's Responsibilities

The Chief Financial Officer is responsible for the preparation of the Statement of Accounts (which includes the financial statements) in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code').

In preparing this Statement of Accounts, the Chief Financial Officer has:

- selected appropriate accounting policies and applied them consistently;
- made reasonable and prudent judgements and estimates;
- complied with the Code of Practice.
- kept proper, up to date accounting records;
- taken reasonable steps to prevent and detect fraud and other irregularities;
- assessed the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- used the going concern basis of accounting on the assumption that the functions of the Council will continue in operational existence for the foreseeable future; and
- maintained such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error,

The Statement of the Chief Financial Officer

I certify that the Statement of Accounts gives a true and fair view of the financial position of Wiltshire Council at 31 March 2019 and of its income and expenditure for the year then ended.

This statement will be signed following the completion of the Audit.

Becky Hellard

Interim Director, Finance & Procurement (Chief Financial Officer/Section 151 Officer)

Wiltshire Council

24 July 2019

Approval of the Statement of Accounts

I can confirm that these accounts were approved by the Audit Committee at its meeting held on 24 July 2019.

This statement will be signed following the completion of the Audit.

Councillor Richard Britton

Chairman of the Audit Committee

24 July 2019

Independent Auditor's Report to the Members of Wiltshire Council

This will be added following the completion of the annual audit

KEY FINANCIAL STATEMENTS

Comprehensive Income and Expenditure Statement

This account shows expenditure on and income from the Council's day to day activities. Expenditure includes salaries, wages, service and depreciation charges. It gives the cost of the main services provided by the Council. This statement is shown in a statutory format. Details about how this ties back to the Council's regular budget monitoring reporting is shown in the Expenditure and Funding Analysis Statement.

	2018/2019		2017/2018		Net Expenditure £000	
	Expenditure £000	Income £000	Expenditure £000	Income £000		
General Fund Services						
ASC Operations - Access & Reablement	75,993	(21,857)	54,136	71,278	(17,590)	53,688
Learning Disability & Mental Health	78,360	(10,933)	67,427	75,113	(9,056)	66,057
Commissioning	77,658	(48,802)	28,856	66,086	(45,359)	20,727
Public Health & Protection	20,522	(18,477)	2,045	20,473	(17,177)	3,296
Legal & Democratic	6,903	(2,087)	4,816	8,588	(2,966)	5,622
Family & Children Services	112,804	(41,833)	70,971	99,012	(38,418)	60,594
Education & Skills	198,505	(174,899)	23,606	189,773	(171,937)	17,836
Communities & Communications	20,580	(9,919)	10,661	22,865	(9,388)	13,477
Human Resources & Org Development	5,218	(1,757)	3,461	5,458	(1,570)	3,888
Economic Development & Planning	12,836	(8,501)	4,335	22,353	(7,736)	14,617
Highways & Transport	54,505	(13,892)	40,613	51,569	(12,422)	39,147
Waste & Environment	53,012	(8,049)	44,963	45,743	(7,703)	38,040
Housing & Commercial Development	39,488	(11,718)	27,770	39,453	(10,516)	28,937
Corporate Services & Digital	21,606	(5,539)	16,067	20,619	(3,794)	16,825
Finance	108,230	(100,819)	7,411	122,088	(115,998)	6,090
Corporate Directors	3,302	(33)	3,269	3,128	(13)	3,115
Corporate	14,000	(4,964)	9,036	13,847	(8,864)	4,983
Housing Revenue Account (HRA)	22,377	(26,253)	(3,876)	20,856	(25,675)	(4,819)
Net Cost of Service	925,899	(510,332)	415,567	898,302	(506,182)	392,120
Other operating Expenditure		Note 3	43,599			30,200
Financing and Investment Income and Expenditure		Note 4	24,889			27,091
Taxation and non-specific grant income		Note 5	(470,087)			(457,232)
(Surplus)/ Deficit on Provision of Services			13,968			(7,821)
(Surplus) or deficit on revaluation of Property, Plant and Equipment Assets			(8,229)			(39,406)
Actuarial (gains)/losses on pension assets / liabilities			34,485			(91,485)
Other Comprehensive Income and Expenditure			26,256			(130,891)
Total Comprehensive Income and Expenditure			40,224			(138,712)

Movement in Reserves Statement

The Council maintains a number of reserves that are recorded on the balance sheet. Some are required to be held for statutory reasons, some are needed to comply with proper accounting practice, and others have been set up voluntarily to earmark resources for future spending plans.

	General Fund Balance £000	Housing Revenue Account £000	Capital Receipts Reserve £000	Major Repairs Reserve £000	Capital Grants Unapplied £000	Total Usable Reserves £000	Unusable Reserves (Restated) £000	Total Authority Reserves £000
Balance at 1 April 2017	(43,379)	(23,170)	(9,722)	(1,182)	(34,790)	(112,243)	33,179	(79,064)
Movement in reserves during 2017/2018								
Total Comprehensive Income and Expenditure	(11,648)	3,827	0	0	0	(7,821)	(130,891)	(138,712)
Adjustments between accounting basis & funding basis under regulations	1,596	1,392	(3,275)	(417)	(19,207)	(19,911)	19,911	0
Net (Increase)/Decrease before Transfers	(10,052)	5,219	(3,275)	(417)	(19,207)	(27,732)	(110,980)	(138,712)
Balance at 31 March 2018 carried forward	(53,431)	(17,951)	(12,997)	(1,599)	(53,997)	(139,975)	(77,801)	(217,776)
Movement in reserves during 2018/2019								
Total Comprehensive Income and Expenditure	9,578	4,390	0	0	0	13,968	26,256	40,224
Adjustments between accounting basis & funding basis under regulations	(8,490)	(6)	1,027	(3,140)	(9,749)	(20,358)	20,358	0
Net (Increase)/Decrease before Transfers	1,088	4,384	1,027	(3,140)	(9,749)	(6,390)	46,614	40,224
Balance at 31 March 2019 carried forward	(52,343)	(13,567)	(11,970)	(4,739)	(63,746)	(146,365)	(31,187)	(177,552)

Balance Sheet

This statement summarises the Council's assets and liabilities at 31 March for the years 2019 and 2018.

	NOTES	31 March 2019		31 March 2018
		£000	£000	£000
Property, Plant and Equipment	15			
Council Dwellings & Garages		272,259		270,823
Other Land and Buildings		349,781		354,635
Vehicles, Plant, Furniture and Equipment		64,720		74,993
Infrastructure		388,208		357,494
Community Assets		6,061		6,160
Assets Under Construction		50,672		62,806
Surplus Assets Not Held for Sale		7,724		9,890
			1,139,425	1,136,801
Investment Properties	23	23,452		23,244
Intangible Assets	24	1,985		564
Assets Held for Sale	25	7,156		10,165
Long Term Debtors		6,403		5,638
			38,996	
Long Term Assets			1,178,421	1,176,412
Current Assets				
Short Term Investments		102,277		63,805
Inventories		789		737
Short Term Debtors	26	50,531		50,614
Cash and Cash Equivalents	27	6,703		8,694
Current Assets			160,300	123,850
Current Liabilities				
Short Term Creditors	28	(95,689)		(86,079)
Short Term Borrowing	30	(10,172)		(16,951)
Short Term PFI Creditors	22	(2,706)		(2,553)
Provisions	29	(3,596)		(4,017)
Current Liabilities			(112,163)	(109,600)
Long Term Liabilities				
Long Term PFI Creditors	22	(45,360)		(48,367)
Long Term Borrowing	30	(335,029)		(313,037)
Other Long Term Liabilities		(14,042)		(7,376)
Pension Fund Liability	38	(613,750)		(550,836)
Planning Deposits		(40,825)		(53,270)
Long Term Liabilities			(1,049,006)	(972,886)
Net Assets			177,552	217,776
Financed by				
Usable Reserves	31		(146,365)	(139,975)
Unusable Reserves	35		(31,187)	(77,801)
Total Reserves			(177,552)	(217,776)

Becky Hellard

Interim Director, Finance & Procurement (Section 151 Officer)

31 May 2019

Cashflow Statement

This consolidated statement summarises the movement of cash between the Council and third parties for both capital and revenue purposes.

	NOTES	2018/2019 £000	2017/2018 £000
Net (surplus) or deficit on the provision of services		13,968	(7,821)
Adjustments to net surplus or deficit on the provision of services for non-cash movements		(11,008)	13,750
Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	39	(11,368)	(12,162)
Net cash flows from Operating Activities		(8,408)	(6,233)
Investing Activities	40	25,612	(1,011)
Financing Activities	41	(15,213)	12,554
Net decrease or (increase) in cash and cash equivalents		<u>1,991</u>	<u>5,310</u>
Cash and cash equivalents at the beginning of the reporting period		8,694	14,004
Cash and cash equivalents at the end of the reporting period		6,703	8,694

Expenditure & Funding Analysis Statement

This analysis shows how annual expenditure is used and funded from annual resources (government grants, rents, council tax and business rates) by the Council in comparison with the economic resources consumed or earned by the Council in accordance with generally accepted accounting practice. It shows how the expenditure is allocated for decision making purposes between the Council's services. Income and expenditure is shown more fully in the Comprehensive Income & Expenditure statement.

	2018/2019			2017/2018		
	Net Expenditure Chargeable to the General Fund & HRA Balances £000	Adjustments between Funding and Accounting Basis (see note 13) £000	Net Expenditure in the Comprehensive Income & Expensive Statement £000	Net Expenditure Chargeable to the General Fund & HRA Balances £000	Adjustments between Funding and Accounting Basis (see note 13) £000	Net Expenditure in the Comprehensive Income & Expensive Statement £000
General Fund Services						
ASC Operations - Access & Reablement	51,935	2,201	54,136	52,024	1,664	53,688
Learning Disability & Mental Health	66,375	1,052	67,427	65,189	868	66,057
Commissioning	28,538	318	28,856	20,497	230	20,727
Public Health & Protection	1,515	530	2,045	1,739	1,557	3,296
Legal & Democratic	4,282	534	4,816	5,144	478	5,622
Family & Children Services	66,049	4,922	70,971	57,759	2,835	60,594
Education & Skills	(441)	24,047	23,606	714	17,122	17,836
Communities & Communications	6,833	3,828	10,661	6,720	6,757	13,477
Human Resources & Org Development	3,061	400	3,461	3,483	405	3,888
Economic Development & Planning	2,837	1,498	4,335	2,542	12,075	14,617
Highways & Transport	28,640	11,973	40,613	29,469	9,678	39,147
Waste & Environment	40,436	4,527	44,963	36,599	1,441	38,040
Housing & Commercial Development	14,479	13,291	27,770	15,370	13,567	28,937
Corporate Services & Digital	14,054	2,013	16,067	14,823	2,002	16,825
Finance	6,401	1,010	7,411	5,290	800	6,090
Corporate Directors	3,192	77	3,269	3,049	66	3,115
Corporate	(10,797)	19,833	9,036	(9,470)	14,453	4,983
Net Cost of Service General Fund	327,389	92,054	419,443	310,941	85,998	396,939
Housing Revenue Account (HRA)	4,384	(8,260)	(3,876)	5,219	(10,038)	(4,819)
Transfer to Earmarked Reserves	3,245	(3,245)	0	(9,642)	9,642	0
Net Cost of Service	335,018	80,549	415,567	306,518	85,602	392,120
Other operating Expenditure	0	43,599	43,599	0	30,200	30,200
Financing and Investment Income and Expenditure	0	24,889	24,889	0	27,091	27,091
Taxation and non-specific grant income	(329,546)	(140,541)	(470,087)	(311,351)	(145,881)	(457,232)
(Surplus)/ Deficit	5,472	8,496	13,968	(4,833)	(2,988)	(7,821)
Balance Summary						
Opening General Fund & HRA Balance at 31 March	(71,382)			(66,549)		
Add (Surplus) on General Fund & HRA Balances in Year	5,472			(4,833)		
Closing General Fund and HRA Balance at 31 March	(65,910)			(71,382)		

Analysed between type of balance	General Fund	Earmarked Reserves	HRA	Total Balances
Opening Balance at 1 April 2017	(12,533)	(30,846)	(23,170)	(66,549)
Add (Surplus)/ Deficit in year 2017/2018	(410)	(9,642)	5,219	(4,833)
Closing Balance at 31 March 2018	(12,943)	(40,488)	(17,951)	(71,382)
Add (Surplus) in year 2018/2019	(2,157)	3,245	4,384	5,472
Closing balances at 31 March 2019	(15,100)	(37,243)	(13,567)	(65,910)

Notes to the Core Financial Statements

Introduction to the Explanatory Notes

The Statement of Accounts summarises the Council's transactions for the 2018/2019 financial year and its position at the year-end of 31 March 2019. The Statement of Accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2018/2019 and the accounting policies are set out in the Notes to the Accounts Annex 1. For ease of reference, the notes to the core financial statement are grouped in functional areas. In order to streamline the Statement of Accounts and make them more user friendly, a number of notes have been removed this year from previous years, as allowed by the code of practice. These are all non-material notes so do not affect the information presented.

NOTES TO THE COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

Note 1 Revenue outturn

In respect of net revenue outturn, the Council's 2018/2019 General Fund revised budget and actual spending figures were as below:

	Original Budget £m	Revised Budget £m	Actual £m	Difference £m
Total General Fund (a)	327.746	327.746	327.389	(0.357)
Additional financial stability top up to reserves			(1.800)	(1.800)
Funded by:				
Draw from General Fund reserves				
Formula Grant	(8.050)	(8.050)	(8.046)	0.004
Business Rates Retained	(55.700)	(55.700)	(56.993)	(1.293)
Council Tax	(240.033)	(240.033)	(240.033)	0.000
Social Care Levy	(18.417)	(18.417)	(18.417)	0.000
Collection Fund (Surplus)/Deficit Council Tax	(1.546)	(1.546)	(5.506)	(3.960)
Collection Fund (Surplus)/Deficit NNDR	(4.000)	(4.000)	1.249	5.249
Total Funding (b)	(327.746)	(327.746)	(327.746)	0.000
Movement on General Fund (a) + (b)	(0.000)	(0.000)	(2.157)	(2.157)

The overall underspend against the revised 2018/2019 budget was £0.357 million. The Council made an additional financial stability top up to reserves of £1.800 million. Therefore the overall movement on the General Fund is a £2.157 million return to reserves. More details about the Council's revenue spending on services are given, with notes, in the Comprehensive Income & Expenditure Statement and subsequent notes.

Note 1b Expenditure and Income Analysed by Nature

	2018/2019 £000	2017/2018 £000
Expenditure		
Services expenses	878,078	853,750
Depreciation, amortisation and impairment	63,185	60,760
Interest payments	12,328	12,590
Precept and levies	19,804	16,954
Loss on disposal of assets	22,920	12,491
Total Expenditure	996,315	956,545
Income		
Fees, charges and other service income	(510,332)	(506,182)
Interest and investment income	(960)	(428)
Movements in the market value of Investment Properties	(968)	(524)
Income from Council Tax and Business Rates	(339,225)	(306,826)
Government Grants and contributions	(42,766)	(59,524)
Other grants and contributions	(88,096)	(90,882)
Total Income	(982,347)	(964,366)
Deficit on the Provision of Services	13,968	(7,821)

Note 2 Exceptional items

There are no exceptional items in the accounts for either 2018/2019 or 2017/2018.

Note 3 Other Operating Expenditure

	2018/2019 £000	2017/2018 £000
Parish council precepts	19,804	16,954
Payments to the Government Housing Capital Receipts Pool	875	755
(Gains)/losses on the disposal of non-current assets	22,920	12,491
Total	43,599	30,200

Note 4 Financing and Investment Income and Expenditure

	2018/2019 £000	2017/2018 £000
Interest payable and similar charges	12,328	12,590
Interest and investment income	(960)	(428)
Pension Interest Costs and expected return on pension assets	14,489	15,453
Movements in the market value of Investment Properties	(968)	(524)
Total	24,889	27,091

Note 5 Taxation and Non Specific Grant Income

The Council raises the following income in respect of Council Tax, Non Domestic Rates (NDR) and General Government Grants which are not attributable to specific services.

	2018/2019	2017/2018
	£000	£000
Council Tax Transfer	(258,450)	(237,304)
Collection Fund Surplus	(5,506)	(2,530)
Parish Council Precepts	(19,804)	(16,954)
Adjustment for statutory requirements	2,079	3,191
Council Tax Income	(281,681)	(253,597)
General Government Grants	(34,720)	(41,236)
Formula Grant	(8,046)	(18,288)
Business Rates Retention Scheme	(55,744)	(53,229)
Additional reserves contribution	(1,800)	0
Capital grants and contributions	(88,096)	(90,882)
Total	(470,087)	(457,232)

Note 6 Grant Income

The Council credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement in 2018/2019:

This table will be inserted in the final version of the accounts.

Note 7 Dedicated Schools Grant

The Council's expenditure on schools is funded primarily by grant monies provided by the Department for Education, the Dedicated Schools Grant (DSG). An element of DSG is recouped by the Department to fund academy schools in the Council's area. DSG is ringfenced and can only be applied to meet expenditure properly included in the Schools Budget, as defined in the School Finance (England) Regulations 2013. The Schools Budget includes elements for a range of educational services provided on a Council-wide basis and for the Individual Schools Budget, which is divided into a budget share for each maintained school.

Details of the deployment of DSG receivable for 2018/2019 are as follows:

	Central Expenditure £000	Individual Schools Budget (ISB) £000	2018/2019 Total £000	2017/2018 Total £000
Final DSG for year before academy recouplement			(343,264)	(330,349)
Academy figure recouped			162,790	152,675
Total DSG after academy recouplement			(180,474)	(177,674)
Brought forward from previous year			(846)	(583)
Agreed initial budget distribution	(69,372)	(111,948)	(181,320)	(178,257)
In Year Adjustments	36		36	246
Final budgeted distribution	(69,336)	(111,948)	(181,284)	(178,011)
Less actual central expenditure	72,709		72,709	63,016
Less actual ISB deployed to schools		111,948	111,948	114,149
Local Authority Contribution	(1,300)		(1,300)	0
Carry forward	2,073	0	2,073	(846)

Note 8 Pooled Budgets**Partnerships Schemes under S31 Health Act****Better Care Fund**

The Better Care Fund (BCF) is a programme spanning both the NHS and local government. It was created to improve the lives of some of the most vulnerable people in our society, placing them at the centre of their care and support, and providing them with 'wraparound' fully integrated health and social care, resulting in an improved experience and better quality of life.

Wiltshire Council and Wiltshire CCG have entered into a formal arrangement from 1 April 2015 to deliver services via the Better Care Fund. The expenditure via the Better Care Fund was as follows:

	2018/2019	2017/2018
	£000	£000
Self Care, Self Support	1,645	1,569
Intermediate Care	14,267	13,503
Access, rapid response 7 day working	3,534	3,777
Care Bill	2,500	2,500
Protecting Social Care	18,810	12,577
Invest in Engagement with Heathwatch	0	100
Scheme Management	433	248
Social Care Capital	3,828	2,275
Workforce and bought forward schemes	0	0
Integrated Community Equipment	5,328	4,971
Total Expenditure before return to partners	50,345	41,520
Return to Partners CCG	0	0
Return to Partners Wiltshire Council	0	3,435
Total Schemes	50,345	44,955

This was funded from income and grants as follows:

	2018/2019	2017/2018
	£000	£000
Wiltshire CCG BCF Contribution	(31,776)	(31,551)
Wiltshire Council BCF Contribution	(8,943)	(4,524)
Disabled Facilities Grant	0	(3,070)
Improved Better Care Fund	(9,626)	(5,810)
Total Income and Grants	(50,345)	(44,955)

Note 9 Members' Allowances

The Council paid the following amounts to Members of the Council during the year.

	2018/2019	2017/2018
	£000	£000
Allowances	1,908	1,860
Expenses	76	78
Total	1,984	1,938

Note 10 Officers' Remuneration

The Council is required to disclose the number of employees who received taxable remuneration from Wiltshire Council in excess of £50,000 for the year. These figures include Wiltshire Council employees as well as teaching and non-teaching employees employed directly by Wiltshire Council Schools. This table is based on full remuneration and not just salary.

Remuneration Band £	2018/2019	2017/2018
	No. Employees	No. Employees
50,000-54,999	91	95
55,000-59,999	70	84
60,000-64,999	57	48
65,000-69,999	30	18
70,000-74,999	16	18
75,000-79,999	15	4
80,000-84,999	7	3
85,000-89,999	6	3
90,000-94,999	3	3
95,000-99,999	6	3
100,000-104,999	7	2
105,000-109,999	1	1
110,000-114,999	1	0
115,000-119,999	0	0
120,000-124,999	2	0
125,000-129,999	2	1
130,000-134,999	0	1
135,000-139,999	0	0
140,000-144,999	1	1
145,000-149,999	2	0
150,000-154,999	1	1
155,000-159,999	0	1
160,000-164,999	0	1
165,000-169,999	0	0
170,000-174,999	0	1
175,000-179,999	0	1
TOTAL	318	290

Notes:

Officers' remuneration includes compensation for loss of office (redundancy).

2018/2019 Remuneration for Senior Employees - Salary is £150,000 or more per year

(Included in Officer's Remuneration Bandings)

Post Holder	Salary (including fees and allowances) £	Bonuses £	Expense Allowances £	Compensation for loss of Office £	Benefits in Kind £	Total Remuneration excluding pension contributions 2018/2019 £	Employers Pension Contributions £	Total Remuneration including pension contributions 2018/2019 £
Executive Director, Adult Care, Public Health & Digital - Carlton Brand	154,290	0	0	0	0	154,290	30,858	185,148
	154,290	0	0	0	0	154,290	30,858	185,148

2017/2018 Remuneration for Senior Employees - Salary is £150,000 or more per year
(Included in Officer's Remuneration Bandings)

Post Holder	Salary (including fees and allowances) £	Bonuses £	Expense Allowances £	Compensation for loss of Office £	Benefits in Kind £	Total Remuneration excluding pension contributions 2017/2018 £	Employers Pension Contributions £	Total Remuneration including pension contributions 2017/2018 £
Corporate Director, Communities, Resources & Digital - Carlton Brand (Subnote F)	151,265	0	179	0	0	151,444	28,740	180,184
	151,265	0	179	0	0	151,444	28,740	180,184

2018/2019 Remuneration for Senior Employees - Salary is less than £150,000 but equal to or more than £50,000 per year (Included in Officer's Remuneration Bandings)

2018/2019	Post Holder	Salary (including fees and allowances) £	Bonuses £	Expense Allowances £	Compensation for loss of Office £	Benefits in Kind £	Total Remuneration excluding pension contributions 2018/2019 £	Employers Pension Contributions £	Total Remuneration including pension contributions 2018/2019 £
	Executive Director, Growth, Investment & Place	144,730	0	976	0	0	145,706	28,946	174,652
	Executive Director, Children & Education	144,730	0	336	0	0	145,066	28,946	174,012
	Director, Human Resources & Organisational Development - Head of Paid Service	97,898	0	0	0	0	97,898	19,579	117,477
	Director, Finance & Procurement - s151 Officer (Subnote G)	6,595	0	41	0	0	6,636	1,319	7,955
	Director, Legal and Governance - Monitoring Officer	107,925	0	0	0	0	107,925	21,584	129,509
		501,878	0	1,353	0	0	503,231	100,374	603,605

2017/2018 Remuneration for Senior Employees - Salary is less than £150,000 but equal to or more than £50,000 per year (Included in Officer's Remuneration Bandings)

2017/2018	Post Holder	Salary (including fees and allowances) £	Bonuses £	Expense Allowances £	Compensation for loss of Office £	Benefits in Kind £	Total Remuneration excluding pension contributions 2017/2018 £	Employers Pension Contributions £	Total Remuneration including pension contributions 2017/2018 £
	Corporate Director, Growth, Investment & Place (Subnote A & F)	124,437	0	1,448	0	0	125,885	23,643	149,528
	Corporate Director, Children & Education (Subnote B & F)	133,215	0	986	0	0	134,201	25,311	159,512
	Corporate Director C (Subnote C & F)	88,238	0	0	0	0	88,238	16,765	105,003
	Associate Director, People & Business (Subnote D & F)	96,919	0	228	81,169	0	178,316	13,402	191,718
	Director, Human Resources & Organisational Development (Subnote E & F)	82,750	0	0	0	0	82,750	15,723	98,473
	Director, Finance & Procurement - s151 Officer	105,810	0	318	0	0	106,128	20,104	126,232
	Director Legal & Democratic - Monitoring Officer	102,528	0	0	0	0	102,528	19,480	122,008
		733,897	0	2,980	81,169	0	818,046	134,428	952,474

Subnote A:

Corporate Director, Growth, Investment & Place was appointed on 14 August 2017. The annualised salary for the post is £137,210. Prior to 14 August 2017, the post holder was previously the Associate Director, Economy & Planning. The annualised salary was £101,513.

Subnote B:

Corporate Director, Children & Education was appointed on 14 August 2017 and is designated as the Director of Children's Services (which is a required statutory role) from this date. The annualised salary for the post is £137,210. Prior to 14 August 2017, the post holder was previously the Associate Director, Operational Children's Services. The annualised salary was £104,761.

Subnote C:

Corporate Director C is designated as the Director of Adult Social Services which is a required statutory role, and was designated as the Director of Children's Services (which is a required statutory role) until 13 August 2017. Corporate Director C left the employment of the Council on 31 October 2017. The annualised salary was £149,767.

Subnote D:

Associate Director, People & Business left the employment of the Council on 30 November 2017 following a senior management restructure. The postholder received £81,169 as a severance payment. The annualised salary was £104,761.

Subnote E:

Director, Human Resources & Organisational Development was appointed on 6 November 2017 and is designated as the Head of Paid Service (which is a statutory role) from this date. The annualised salary for the post is £95,978. Prior to 6 November 2017, the post holder was previously the Head of Human Resources & Organisational Development. The annualised salary was £73,097.

Subnote F:

As of November 2013, the statutory role of Head of Paid service is discharged between the Corporate Directors on a rotational basis. Following a report to Cabinet on 20 June 2017, this designation was transferred to the Associate Director role with responsibility for HR, which at the time was the Associate Director, People & Business. Per Subnote E, this designation transferred to the Director, Human Resources & Organisational Development on 6 November 2017.

Subnote G:

Director, Finance & Procurement left the employment of the Council on 23 April 2018 and has since been filled on an interim basis pending recruitment of a new permanent postholder. The annualised salary for the post was £105,809.

Exit Packages

Exit packages include all benefits provide in relation to the termination of employment. These include redundancy payments, pay in lieu of notice and pension strain. The numbers of exit packages with total cost per band and total cost of the compulsory and other redundancies are set out in the table below:

Exit Package Cost Band (including special payments) £	Number of Compulsory Redundancies		Number of Other Departures Agreed		Total Number of Exit Packages by Cost Band		Total Cost of Exit Packages in Each Band	
	2017/2018	2018/2019	2017/2018	2018/2019	2017/2018	2018/2019	2017/2018 £	2018/2019 £
0-20,000	3	2	90	56	93	58	794,469	480,768
20,001-40,000	0	0	7	19	7	19	196,692	553,735
40,001-60,000	0	0	1	14	1	14	58,989	671,465
60,001-80,000	0	0	2	1	2	1	152,270	63,030
80,001-100,000	0	0	1	0	1	0	81,169	0
Total	3	2	101	90	104	92	1,283,589	1,768,998

In 2018/2019 there were 26 exit packages relating to schools, with a value of £220,429.

Note 11 External Audit Fees

Wiltshire Council incurred the following fees in respect of external audit and statutory inspection in accordance with the Local Audit & Accountability Act 2014.

	2018/2019 £000	2017/2018 £000
Fees payable for external audit services carried out by the appointed auditor	129	180
Fees payable for the certification of grant claims and returns	24	27
Fees payable in respect of other services provided by external auditors during the year	0	0
Total	153	207

Note 12 Related Parties

The Council is required to disclose material transactions with related parties. Related parties are persons or entities that are related to Wiltshire Council. A related party transaction is a transfer of resources or obligations between a reporting entity (Wiltshire Council) and a related party, regardless of whether a price is charged. Related party transactions exclude transactions with any other entity that is a related party solely because of its economic dependence on the authority or the government of which it forms part.

UK Central Government has significant influence over the general operations of the Council. It is responsible for providing the statutory framework, within which the Council operates, provides the majority of its funding in the

form of grants and prescribes the terms of many of the transactions that the Council has with other parties (e.g. council tax bills, housing benefits). Details of Grant receipts are shown in Note 6.

Members of the Council have direct control over the Council's financial and operating policies. The total of Members' Allowances paid in 2018/2019 is shown in note 9. If a Member declares an interest in a transaction which involves the Council, these transactions are recorded in the Register of Members' Interests, open to public inspection at County Hall, Trowbridge. The register has been reviewed and Members have not disclosed any material transactions with related parties.

Officers – under the requirements of the Local Government Act 2000, the Council has developed a Code of Conduct for officers and established a Register of Officers interests. This Register of interests has been reviewed and no material transactions have been discovered.

Wiltshire Pension fund – In 2018/2019 the Council charged the fund £1.478 million (£1.472 million in 2017/2018) for expenses incurred in administering the fund.

Note 13 Note to the Funding Analysis

Adjustments to General Fund to add Expenditure or Income not Chargeable to taxations or rents and remove items which are only chargeable under statute

	2017/2018			Total Adjustments
	Capital Purposes (Note 13a)	Pension Adjustments (Note 13b)	Other Differences (Note 13c)	
	£000	£000	£000	£000
General Fund Services				
ASC Operations - Access & Reablement	646	1,016	2	1,664
Learning Disability & Mental Health	203	654	11	868
Commissioning	0	232	(2)	230
Public Health & Protection	1,029	516	12	1,557
Legal & Democratic	5	487	(14)	478
Family & Children Services	233	2,601	1	2,835
Education & Skills	16,084	1,966	(928)	17,122
Communities & Communications	5,622	1,156	(21)	6,757
Human Resources & Org Development	35	372	(2)	405
Economic Development & Planning	11,284	788	3	12,075
Highways & Transport	8,996	677	5	9,678
Waste & Environment	804	644	(7)	1,441
Housing & Commercial Development	14,825	436	(1,694)	13,567
Corporate Services & Digital	991	985	26	2,002
Finance	0	803	(3)	800
Corporate Directors	0	65	1	66
Corporate	3	376	23,716	24,095
Housing Revenue Account (HRA)	0	263	(10,301)	(10,038)
Net Cost of Service	60,760	14,037	10,805	85,602
Other operating Expenditure	12,491		17,709	30,200
Financing and Investment Income and Expenditure		14,929	12,162	27,091
Taxation and non-specific grant income			(145,881)	(145,881)
(Surplus)/ Deficit	73,251	28,966	(105,205)	(2,988)

	2018/2019			Total Adjustments £000
	Capital Purposes (Note 13a) £000	Pension Adjustments (Note 13b) £000	Other Differences (Note 13c) £000	
General Fund Services				
ASC Operations - Access & Reablement	1,176	1,004	21	2,201
Learning Disability & Mental Health	346	667	39	1,052
Commissioning	1	297	20	318
Public Health & Protection	14	510	6	530
Legal & Democratic	65	464	5	534
Family & Children Services	2,361	2,532	29	4,922
Education & Skills	23,868	1,782	(1,603)	24,047
Communities & Communications	2,688	1,135	5	3,828
Human Resources & Org Development	36	359	5	400
Economic Development & Planning	743	750	5	1,498
Highways & Transport	11,291	674	8	11,973
Waste & Environment	4,196	397	(66)	4,527
Housing & Commercial Development	14,611	469	(1,789)	13,291
Corporate Services & Digital	1,047	950	16	2,013
Finance	279	735	(4)	1,010
Corporate Directors	0	70	7	77
Corporate	0	872	15,716	16,588
Housing Revenue Account (HRA)	463	264	(8,987)	(8,260)
Net Cost of Service	63,185	13,931	3,433	80,549
Other operating Expenditure	22,920		20,679	43,599
Financing and Investment Income and Expenditure	(968)	14,489	11,368	24,889
Taxation and non-specific grant income			(140,541)	(140,541)
(Surplus)/ Deficit	85,137	28,420	(105,061)	8,496

Note 13a Adjustments for Capital Funding and Expenditure Purposes

These adjustments are made to the General Fund Balances to meet the requirements of generally accepted accounting practices. For services, this column includes adjustments for depreciation, impairment and revenue funded by capital. In other operating expenditure this adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.

Note 13b Net changes for the removal of pension contributions and the addition of pension (IAS19) related expenditure and income

Net changes for the removal of pension contribution and the addition of IAS 19 Employee Benefits pension related expenditure and income. For services this represents the removal of the employer pension contributions made by the authority as permitted by statute and the replacement with current services costs and past service costs.

Note 13c Other Differences

Other differences between the amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute. These include adjustment for accumulated absences, PFI service charges and items reported to members but not included in statutory net cost of service (e.g. general government grants, movement on reserves and interest).

Note 14 Adjustments between accounting basis and funding basis under regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Council in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure.

	General Fund Balance £000	Housing Revenue Account £000	Capital Receipts Reserve £000	Major Repairs Reserve £000	Capital Grants Unapplied £000	Total Unusable Reserves £000
Reserves 2018/2019						
Adjustments primarily involving the Capital Adjustment Account						
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement						
Charges for depreciation of non-current assets	(24,129)			(12,153)		36,282
Charges for impairment/ revaluations of plant, property and equipment	(20,395)	(464)				20,859
Movements in the market value of Investment Properties	969					(969)
Amortisation of intangible assets	(356)					356
Revenue expenditure funded from capital under statute	(17,842)					17,842
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(18,119)	(4,759)	(16,033)			38,911
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:						
Statutory provision for the financing of capital investment	13,843					(13,843)
Capital expenditure charged against the General Fund and HRA balances		5,486				(5,486)
Adjustments primarily involving the Capital Grants Unapplied Account:						
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement and Expenditure Statement	88,096				(88,096)	0
Application of grants to capital financing transferred to the Capital Adjustment Account					78,347	(78,347)
Adjustments primarily involving the Capital Receipts Reserve:						
Use of the Capital Receipts Reserve to finance new capital expenditure			11,602			(11,602)
Use of the Capital Receipts Reserve to finance repayment of HRA debt			4,810			(4,810)
Reserve to finance the payments to the Government capital receipts pool	(917)		917			0
Adjustments primarily involving the Deferred Capital Receipts Reserve						
Transfer of deferred sale proceeds credited as part of the gain/ loss on disposal to the Comprehensive Income and Expenditure Statement	165		(269)			104
Adjustment primarily involving the Major Repairs Reserve						
Use of the Major Repairs Reserve to finance new capital expenditure and depreciation				9,013		(9,013)
Adjustment primarily involving the Financial Instruments Adjustments Account:						
Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	2					(2)
Adjustments primarily involving the Pensions Reserve						
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement (see Note 61)	(28,166)	(263)				28,429
Adjustments primarily involving the Collection Fund Adjustment Account:						
Amount by which council tax income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements	(3,030)					3,030
Amount by which non-domestic rate income credited to the Comprehensive Income and Expenditure Statement is different from non-domestic rates income calculated for the year in accordance with statutory requirements	950					(950)
Adjustment primarily involving the Accumulated Absences Account						
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	439	(6)				(433)
Total Adjustments	(8,490)	(6)	1,027	(3,140)	(9,749)	20,358

Reserves 2017/2018	General Fund Balance £000	Housing Revenue Account £000	Capital Receipts Reserve £000	Major Repairs Reserve £000	Capital Grants Unapplied £000	Total Unusable Reserves £000
Adjustments primarily involving the Capital Adjustment Account						
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement						
Charges for depreciation of non-current assets	(20,837)			(11,548)		32,385
Charges for impairment/ revaluations of plant, property and equipment	(20,357)					20,357
Movements in the market value of Investment Properties	524					(524)
Amortisation of intangible assets	(446)					446
Revenue expenditure funded from capital under statute	(19,119)					19,119
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(7,383)	(5,108)	(9,905)			22,396
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:						
Statutory provision for the financing of capital investment	11,472					(11,472)
Capital expenditure charged against the General Fund and HRA balances	0	6,762				(6,762)
Adjustments primarily involving the Capital Grants Unapplied Account:						
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement and Expenditure Statement	90,882				(90,882)	0
Application of grants to capital financing transferred to the Capital Adjustment Account					71,675	(71,675)
Adjustments primarily involving the Capital Receipts Reserve:						
Use of the Capital Receipts Reserve to finance new capital expenditure			6,104			(6,104)
Reserve to finance the payments to the Government capital receipts pool	(755)		755			0
Adjustments primarily involving the Deferred Capital Receipts Reserve						
Transfer of deferred sale proceeds credited as part of the gain/ loss on disposal to the Comprehensive Income and Expenditure Statement	130		(229)			99
Adjustment primarily involving the Major Repairs Reserve						
Reversal of Major Repairs Allowance credited to the HRA						0
Use of the Major Repairs Reserve to finance new capital expenditure and depreciation				11,131		(11,131)
Adjustment primarily involving the Financial Instruments Adjustments Account:						
Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	2					(2)
Adjustments primarily involving the Pensions Reserve						
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement (see Note 61)	(29,267)	(263)				29,530
Employer's pensions contributions and direct payments to pensioners payable in the year						0
Adjustments primarily involving the Collection Fund Adjustment Account:						
Amount by which council tax income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements	3,206					(3,206)
Amount by which non-domestic rate income credited to the Comprehensive Income and Expenditure Statement is different from non-domestic rates income calculated for the year in accordance with statutory requirements	(6,397)					6,397
Adjustment primarily involving the Accumulated Absences Account						
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(59)		1			58
Total Adjustments	1,596	1,392	(3,275)	(417)	(19,207)	19,911

BALANCE SHEET NOTES RELATING TO CAPITAL**Note 15 Property, Plant and Equipment (PPE)**

	Council Dwellings & Garages inc land £000	Other Land & Buildings £000	Vehicles, Plant and Equipment £000	Infra-structure £000	Community Assets £000	Assets under Construction £000	Surplus Assets £000	Total Property, and Plant & Equipment £000	PFI included in PPE £000
Cost or Valuation									
Opening Balance 1 April 2018	384,670	715,970	228,259	436,525	7,098	77,522	11,988	1,862,032	92,284
Additions	8,810	21,836	7,213	9,095	0	40,268	18	87,240	(14)
Derecognition - Disposals	(1,989)	(10,235)	(12,004)	0	(99)	0	(1,263)	(25,590)	0
Derecognition - Other	0	(12,732)	(562)	0	0	0	0	(13,294)	0
Revaluation increases recognised in the Revaluation Reserve	0	22,565	3,638	0	0	0	836	27,039	7,506
Revaluation decreases recognised in the Revaluation Reserve	(8,810)	(8,349)	(1,651)	0	0	0	(1,250)	(20,060)	0
Category Adjustments	9,548	8,725	2,870	29,409	0	(52,402)	45	(1,805)	0
At 31 March 2019	392,229	737,780	227,763	475,029	6,999	65,388	10,374	1,915,562	99,776
Depreciation and Impairments									
Opening Balance 1 April 2018	(113,847)	(361,335)	(153,266)	(79,031)	(938)	(14,716)	(2,098)	(725,231)	(28,208)
Depreciation	(5,659)	(11,409)	(10,824)	(7,790)	0	0	(444)	(36,126)	(1,962)
Accumulated depreciation written back on derecognition of assets	0	4,740	1,054	0	0	0	193	5,987	0
Revaluation losses/impairment recognised in the surplus/deficit on provision of services	(464)	(19,995)	(7)	0	0	0	(301)	(20,767)	0
At 31 March 2019	(119,970)	(387,999)	(163,043)	(86,821)	(938)	(14,716)	(2,650)	(776,137)	(30,170)
Net Book Value at 31 March 2019	272,259	349,781	64,720	388,208	6,061	50,672	7,724	1,139,425	69,606
Net Book Value at 31 March 2018	270,823	354,635	74,993	357,494	6,160	62,806	9,890	1,136,801	64,076

Note 16 Information about Depreciation Methodologies

All depreciation applied is on a straight line basis using the following standard useful lives, unless the useful economic life is reviewed downwards by the external valuer;

- Council Dwellings. These are depreciated over a useful life of 30 years;
- Other Land and Buildings, Garages and Buildings are depreciated over a useful life of 50 years with the remaining useful life given by the valuers. Land is not depreciated;
- Vehicles, Plant etc. These are depreciated over a standard period of 5 years. The only exception being services of buildings which are depreciated on the remaining useful life given by the valuers;
- Community Assets, Assets under Construction and Non Operational Assets. These are not depreciated.
- Infrastructure. These are depreciated over a useful life of 60 years.

The total depreciation charged to tangible Property Plant and Equipment fixed assets for 2018/2019 is £36,127,102. (£32,176,741 in 2017/2018)

Note 17 Capital Expenditure and Capital Financing

Below is the financing of the year's capital expenditure on fixed assets and revenue expenditure funded from capital under statute. This shows the Council's overall capital financing requirement for General Fund and HRA – the underlying amount of borrowing the Council has incurred on its capital investment.

	31 March 2019		31 March 2018
	£000	£000	£000
Opening Capital Financing Requirement (see below)		539,328	537,296
Capital Investment			
Plant Property & equipment Assets	87,254		89,485
Plant Property & equipment PFI Assets	(14)		52
Investment Properties	27		405
Intangible assets	1,184		22
Revenue Expenditure Funded from Capital under Statute	17,842		19,119
		106,293	109,083
Sources of Finance			
Government Grants		(78,345)	(71,675)
Major Repairs Reserve		(9,013)	(11,131)
Capital Receipts		(11,602)	(6,104)
Assets purchased through Revenue (inc HRA)		(5,487)	(6,762)
Repayment of capital long term assets		(39)	93
Minimum Revenue Provision		(10,989)	(8,542)
Voluntary Revenue Provision		(2,853)	(261)
Minimum Revenue Provision - PFI Schemes			(2,669)
		0	(107,051)
Closing Capital Financing Requirement		527,293	539,328
Explanation of Movements in the Year			
Increase / (decrease) in underlying need to borrow		(12,035)	2,032
Increase / (decrease) in Capital Financing Requirement		(12,035)	2,032

Note 18 Fixed Asset Valuation

Assets classified as Land & Buildings, excluding County Farms, are revalued as part of the Council's rolling programme for the revaluation of fixed assets. The valuations are carried out by an external valuer, GVA Grimley, Chartered Surveyors.

County Farms were most recently revalued in 2018/2019 by a qualified external valuer. These valuations were received on 29 May, so could not be included in the draft Statement of Accounts. The statements will be updated to reflect these valuations for the final Statement of Accounts.

The basis for valuation is set out in the statement of accounting policies.

The assets revalued during 2018/2019 include Primary, Secondary, Special, Foundation & PFI Schools as well as the Investment Estate, Surplus Assets Not Held for Sale and any new assets acquired during 2018/2019 or significantly altered. All other assets will be revalued over the coming years as part of the rolling programme but have been revalued within the maximum 5 year rolling programme as dictated in the code of practice. The Council is not aware of any material change in the value of the remaining assets that were not revalued in 2018/2019.

The following table shows the split of the certified valuations for Property plant and equipment across the financial years. This table will be updated and inserted once County Farms valuations are finalised.

Schools Assets

During the 2018/2019 financial year any schools that became Academy schools have had their assets removed from the balance sheet. This is shown as a derecognition in the note for Property plant and equipment above. The Council does not recognise Academy, Voluntary Controlled and Voluntary Aided schools in its accounts.

Components and effect on depreciation

The Council complies with the IFRS requirement to componentise its property assets. Components have been applied to material items in PPE in accordance with the IFRS Code of practice.

All assets with a value over £2 million de-minimis value have been split into the following components and disclosed in the balance sheet and fixed assets notes;

- Structure – the fabric of the building
- Services – e.g. Lifts and other electrical or other services
- Fittings – internal fittings, Kitchens, doors etc
- Externals – landscaping, car parking etc

In addition all the remaining useful lives are reassessed by the external valuers. This means that services are shown separately from the structure within the plant and equipment, and services typically have a considerably shorter remaining useful life than the structure of the building.

Note 19 Revaluation and Impairment Losses

As part of the valuation process, reductions in the value of our assets (where there have previously not been upward valuations) are charged as downwards revaluation losses charged to Property, Plant and Equipment. These are detailed by asset class in note 15.

Note 20 Heritage Assets

Heritage assets are assets that are held by the Council principally for their contribution to knowledge and/ culture. Typical examples of Heritage assets would include works of art, statues, archaeological sites, military or scientific equipment. Wiltshire Council does not have extensive museum collections as most of the museums in the county are owned by other bodies. Therefore the Council does not have a significant collection of art or other antiquities that need to be disclosed on the balance sheet with a value. These assets can be disclosed in a note to the accounts if the cost of obtaining a valuation exceeds the benefit to the users of the accounts.

These principal items that have been identified as heritage assets by Wiltshire Council are:

White horse near Westbury

- The White Horse in Westbury, a chalk cutting in the hill above Westbury has been in existence for over three hundred years and is owned and maintained by the Council and is kept for historical purposes. As it is not possible to remove or sell the asset a value has not been obtained. As it is such a specialised asset it would not be possible or relevant to put a value on this asset. Therefore this asset has been disclosed in this note only.

East Grafton Wilton Windmill

- This windmill, built in 1821, is held for historic purposes being managed by the Wilton Windmill Society. As a specialised grade II listed building with a major need for ongoing repairs it is felt that it would have minimal value and the cost of obtaining the valuation would far exceed the benefit to the users. Therefore this asset has been disclosed in this note only.

Village Lock ups

- Village lock-ups are historic buildings that were used for the temporary detention of people in England and Wales. A typical village lock-up is a small structure with a single door and a narrow slit window or opening. A number of these lock ups remain in various towns across Wiltshire. Many of these are owned and maintained by Wiltshire Council and so remain part of the Heritage Assets of the County. No formal valuation has been obtained for these sites as the costs of obtaining one would outweigh the benefits of doing so, and it is felt that they would not have any material value due to their size, condition and specialisation.

County Hall Members Rooms Art

- There is a small collection of items formally held in the Members' rooms at County Hall. These include various portraits and landscapes, as well as a stuffed Bustard in a stand. These are not on public display but are kept for artistic reasons. These have been valued for insurance purposes in the past with values individually not exceeding £1,500 per item. The total value of these items is not material, nor is there a benefit to the user of the accounts in obtaining updated valuations. Therefore these items have been disclosed in this note only.

Other items of Historical Interest

- There are a small number of other art works in the Council including; a modern art piece (the Leaf) in Bourne Hill Salisbury, a newly commissioned giant painted Bustard held outside the Library in Trowbridge; various statues in parks and open spaces across the county. In addition there are various collections such as the Local Collections at Salisbury, the Savernake Collection, Arundell of Wardour collection amongst others. These items have been investigated and it is felt the cost of obtaining valuations far exceeds the benefit to the users in all these cases. Therefore these items are disclosed in this note only.

Note 21 Leases**Finance leases**

A finance lease is a lease that transfers substantially all the risks and rewards of ownership of an asset to the lessee. The Council had no finance leases in 2018/2019.

Operating leases

An operating lease is a lease that is not a finance lease (see above) and includes vehicles and other equipment particularly in schools. The Council had no operating leases in 2018/2019.

Leases held as investments

The Council does not receive income from finance leases or hire purchase contracts and has not acquired any assets for the purpose of letting under finance leases.

Note 22 Private Financing Initiatives (PFI) and similar Contracts

The total amount held in Private Financing Initiative and similar contracts is as follows:

	North Wilts Schools PFI £000	Monkton Park Modified PFI £000	Housing PFI £000	Total Long term contracts £000
Balance outstanding at 1 April 2018	(25,527)	(5,464)	(19,929)	(50,920)
Payments during the year to reduce capital liability	1,051	467	1,336	2,854
Liability outstanding 31 March 2019	(24,476)	(4,997)	(18,593)	(48,066)
Split				
Due within 1 year	(1,134)	(498)	(1,075)	(2,707)
Due in over 1 year	(23,342)	(4,499)	(17,518)	(45,359)
Liability outstanding 31 March 2019	(24,476)	(4,997)	(18,593)	(48,066)

North Wiltshire Schools PFI & Additional 6th Form Units.

Wiltshire Council has a Private Finance Initiative (PFI) for three secondary schools with White Horse Education Partnership (WHEP). WHEP are responsible for maintaining and operating the facilities for 30 years from when the first school became operational (March 2002). These are included in the non-current assets in the balance sheet with an associated liability.

The funding for the annual PFI payment comes from the Council's own resources and a special government grant called a PFI credit which is credited to the revenue account in the year that they are received.

The future estimated payments the Council will make under the contract are as follows:

Period	Liability	Interest	Service charges	2018/2019 Total	2017/2018 Total
	£000	£000	£000	£000	£000
Within 1 years	(1,134)	(1,605)	(3,478)	(6,217)	(5,947)
Within 2-5 years	(5,517)	(5,475)	(14,802)	(25,794)	(24,644)
Within 6-10 years	(9,772)	(4,054)	(20,681)	(34,507)	(32,900)
Within 11-15 years	(8,053)	(810)	(12,736)	(21,599)	(27,763)
Within 16-20 years	0	0	0	0	0
Total	(24,476)	(11,944)	(51,697)	(88,117)	(91,254)

Monkton Park Offices Modified PFI Scheme

North Wiltshire District Council entered into a long-term contract for the provision and management of Monkton Park offices. This contract is for a period of 25 years from the year 2000. The full PFI contract was modified in January 2011. Therefore only the loan associated with the capital and interest cost of building Monkton Park still has to be repaid. This is repaid directly to the Bank rather than to the former PFI joint vehicle.

The expenditure payable from 12 January 2011 onwards is the amount required for capital and interest only.

Period	Liability	Interest	2018/2019	2017/2018
	£000	£000	Total £000	Total £000
Within 1 years	(498)	(1,058)	(1,556)	(1,502)
Within 2-5 years	(2,336)	(4,449)	(6,785)	(6,555)
Within 6-10 years	(2,163)	(3,574)	(5,737)	(7,523)
Within 11-15 years			0	0
Main Scheme Total	(4,997)	(9,081)	(14,078)	(15,580)
Equalisation Fund	0	0	0	0
Total	(4,997)	(9,081)	(14,078)	(15,580)

Housing PFI Scheme

A total of 242 units have been built since 2012/2013 under a housing PFI scheme at sites across the county. These are included in the non-current assets in the balance sheet with an associated liability.

Payments are made to the PFI contractors as monthly unitary payments. These payments are commitments and can vary subject to indexation, reductions for performance and availability failures. The funding of the unitary payment will come from a government grant (the PFI credits referred to above), as well as a Council contribution.

The future estimated payments the Council will make under the contract are as follows:

Period	Liability	Interest	2018/2019	2017/2018
	£000	£000	Total £000	Total £000
Within 1 years	(1,075)	(1,065)	(2,140)	(2,190)
Within 2-5 years	(4,316)	(3,766)	(8,082)	(8,271)
Within 6-10 years	(6,450)	(2,665)	(9,115)	(9,326)
Within 11-15 years	(6,752)	(751)	(7,503)	(8,322)
Within 16-20 years			0	(1,221)
Total	(18,593)	(8,247)	(26,840)	(29,330)

Note 23 Investment Property

Investment Properties are assets that are held solely to earn rentals or for capital appreciation. The following items of income and expense have been accounted for in relation to running the investment property estate. These items are shown in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

	2018/2019 £000	2017/2018 £000
Rental income from investment property	(2,459)	(2,761)
Direct operating expenses arising from investment properties	418	592
Net (Gain)/ Loss	<u>(2,041)</u>	<u>(2,169)</u>

There are no restrictions on the Council's ability to realise the value inherent in its investment property or on the Council's right to the remittance of income and the proceeds of disposal. The Council has no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancement.

The following table summarises the movement in the fair value of investment properties over the year:

	2018/2019 £000	2017/2018 £000
Balance at start of the year	23,244	22,952
Additions: Subsequent expenditure	27	405
Disposals	(10)	(819)
Gains from fair value adjustments	969	1,021
Losses from fair value adjustments	0	0
Impairments losses	(83)	(497)
Transfers (to)/from Property, Plant and Equipment	(695)	182
Balance at end of the year	<u>23,452</u>	<u>23,244</u>

Note 24 Intangible Assets

The Council accounts for its software as intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of Property, Plant and Equipment. Intangible assets include both purchased licenses and internally generated software.

All software is given a finite useful life, based on assessments of the period that the software is expected to be of use to the Council. The remaining useful lives assigned to the major software suites used by the Council along with the carrying amounts are:

	Carrying amount		Remaining Amortisation Period
	31 March 2019 £000	31 March 2018 £000	
Childrens Case Management System	1,514	0	5 Years
Planning System	0	197	0 years
Other items of software	471	367	1 - 5 years
Total	<u>1,985</u>	<u>564</u>	

The carrying amount of intangible assets is amortised on a straight-line basis. The amortisation of £0.356 million charged to revenue in 2018/2019 was charged to the IT Administration cost centre and then absorbed as an overhead across all the service headings in the Net Expenditure of Services. It is not possible to quantify exactly how much of the amortisation is attributable to each service heading.

All amortisation applied to Intangible assets is on a straight line basis over 5 years.

	2018/2019	2017/2018
	Purchased	Purchased
	Software	Software
	Licences	Licences
	£000	£000
Gross carrying amounts	21,775	21,753
Accumulated amortisation	(21,211)	(20,765)
Net Carrying amount	<u>564</u>	<u>988</u>
Purchases	1,184	22
Amortisation for the period	(370)	(446)
	(14)	0
Category Adjustments	607	0
Net carrying amount at end of year	<u>1,971</u>	<u>564</u>
Comprising:		
Gross carrying amounts	23,566	21,775
Accumulated amortisation	(21,581)	(21,211)
	<u>1,985</u>	<u>564</u>

Note 25 Assets Held for Sale

The Council held the following amounts as assets held for sale as at 31 March 2019. The definition of an asset held for sale is one that is readily available for sale, the planned sale will occur within 12 months and that the property is being actively marketed.

	2018/2019	2017/2018
	£000	£000
Balance at start of the year	10,165	8,750
Assets newly classified as held for sale	1,893	1,896
Depreciation	(165)	(207)
Assets Sold	(5,988)	(1,110)
Revaluations	1,251	836
Balance at end of the year	<u>7,156</u>	<u>10,165</u>

OTHER NOTES TO BALANCE SHEET**Note 26 Short Term Debtors**

These represent sums owed to the Council for supplies and services provided before 31 March 2018 but not received at that date.

	2018/2019	2017/2018
	£000	£000
Other Local Authorities	1,436	1,795
Government Departments	10,029	11,976
NHS Bodies	3,346	3,063
Business Rates and Local Taxation	14,099	12,510
Tenants	1,698	1,497
Sundry Debtors	35,615	31,368
Payments in Advance	6,720	4,647
Total Debtors	72,943	66,856
Less: provision for bad debts		
General Fund debtors	(17,867)	(12,002)
Housing Rent arrears	(1,556)	(1,349)
Council Tax arrears	(2,744)	(2,540)
Business Rates Arrears	(245)	(351)
Total Bad Debt provisions	(22,412)	(16,242)
Net Debtors	50,531	50,614

Note 27 Cash and Cash Equivalent

This consists of the bank accounts of locally managed schools and the rest of the council's cash and bank accounts.

	2018/2019	2017/2018
	£000	£000
Cash & Bank	(8,567)	(5,740)
Schools' bank accounts	15,270	14,434
	6,703	8,694

Note 28 Short Term Creditors

These represent sums owed by the Council for supplies and services received before 31 March 2019 but not paid for at that date, or provisions created in accordance with the accounting policies.

	2018/2019	2017/2018
	£000	£000
Other Local Authorities	(4,390)	(3,453)
Government Departments	(10,892)	(7,019)
NHS Bodies	(2,532)	(3,878)
Sundry Creditors	(57,874)	(51,918)
Receipts in Advance	(14,085)	(13,462)
Accumulated Absences	(5,916)	(6,349)
	(95,689)	(86,079)

Note 29 Provisions

Provisions are required for any liabilities of uncertain timing or amount that have been incurred. These should be recognised where the council has a present obligation as a result of a past event, that it is probable (i.e. the event is more likely than not to occur) a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made. If these conditions are not met no provision should be recognised. Amounts set aside for purposes falling outside the definition of provisions should be considered as earmarked reserves.

	Legal Claims	Insurance	Business Rate Retention	Termination	Other	Total
	Claims	Claims	Scheme Appeals	Benefits		
	£000	£000	£000	£000	£000	£000
Balance at 1 April 2018	(474)	(1,266)	(1,804)	(329)	(144)	(4,017)
Additional provisions made in year	(25)	(423)	(1,884)	(71)	0	(2,403)
Amounts Used in year	0	330	1,804	267	144	2,545
Unused amounts reversed in year	0	217	0	62	0	279
Balance at 31 March 2019	(499)	(1,142)	(1,884)	(71)	0	(3,596)

Legal Claims

The Council has made provisions in respect of legal claims which may become payable by the Council depending on the outcome of a small number of individual cases totalling £0.499 million. In order not to prejudice seriously the Council's position in these cases any further information has been withheld from this publication. It is currently expected that all of these claims will be settled during the 2019/2020 financial year.

Insurance Claims

An insurance provision is accounted for when it is probable that a cost will be incurred and a reliable estimate of the cost can be made. The insurance provision for 2018/2019 is made up of 22 claims totalling £1.142 million. The 22 claims consisted of a mixture of Public and Employers Liability claims and own Property claims.

The Council self insures, with the Council meeting the first £0.100 million of each employers and public liability claim and between £0.100 million and £0.250 million for own property claims. It is currently expected that all of these claims will be settled during 2019/2020.

Insurance claims where liability has yet to be established are detailed in the Contingent Liability note 47.

Termination Benefits

As at 31 March 2019 the Council made a total provision of £0.071 million in respect of termination benefits, relating to redundancy costs for 2 employees. It is expected that all cases will be resolved during the first half of the 2019/2020 financial year.

Business Rate Retention Scheme Appeals

The Council is required to make provision for the costs associated with refunding business ratepayers with regard to current and prior year appeals against the rateable values of their properties on the rating list. The Council has estimated the total value of this provision to be £3.845 million as at 31 March 2019. This liability however, is shared between Wiltshire Council (49%), Central Government (50%) and Dorset and Wiltshire Fire & Rescue Authority (1%). The Council's share of this provision is therefore £1.884 million.

Other Provisions

There are no Other Provisions as at 31 March 2019.

Note 30 Borrowing

An analysis of loans by maturity is as follows:

	2018/2019 £000	2017/2018 £000
Short Term Borrowing		
Maturing within 1 year Temporary Loans	0	0
Maturing within 1 year Long Term Borrowing	(10,172)	(16,951)
	<u>(10,172)</u>	<u>(16,951)</u>
Long Term Borrowing		
Maturing in 1 to 2 years	(4,000)	(8,000)
Maturing in 2 to 5 years	(28,000)	(22,000)
Maturing in 5 to 10 years	(50,123)	(50,123)
Maturing in more than 10 years	(252,906)	(232,914)
Total Maturing after 1 year	<u>(335,029)</u>	<u>(313,037)</u>
Total Borrowing	<u><u>(345,201)</u></u>	<u><u>(329,988)</u></u>

The total borrowing can be further analysed by lender category:

	2018/2019 £000	2017/2018 £000
Temporary Loans	0	0
Long Term Loans:		
Public Works Loans Board	(283,220)	(267,995)
Money Market	(61,981)	(61,993)
	<u>(345,201)</u>	<u>(329,988)</u>

NOTES RELATING TO RESERVES**Note 31 Usable Reserves**

Movements in the Council's usable reserves are detailed in the Movement in Reserves Statement.

Reserve	Note	2018/2019 £000	2017/2018 £000
General Fund		(15,100)	(12,943)
Earmarked Reserves	32	(37,243)	(40,488)
General Fund balance per Movement in Reserves Statement		<u>(52,343)</u>	<u>(53,431)</u>
Housing Revenue Account Balance		(13,567)	(17,951)
Closing General fund and HRA balance per Expenditure & Funding Statement		<u>(65,910)</u>	<u>(71,382)</u>
Other Usable Reserves			
Major Repairs Reserve	33	(4,739)	(1,599)
Usable Capital Receipts Reserve	34	(11,970)	(12,997)
Capital Grants and Contributions		(63,746)	(53,997)
Unapplied Account			
Total Usable Reserves		<u><u>(146,365)</u></u>	<u><u>(139,975)</u></u>

Note 32 Transfers to/ from Earmarked reserves

This note sets out the amounts set aside from the General Fund and HRA balances in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund and HRA expenditure in 2018/2019.

Earmarked Reserves	2017/2018	Movement	2018/2019
	£000	in 2018/2019 £000	£000
PFI Reserve	(3,873)	390	(3,483)
Insurance Reserve	(3,239)	(175)	(3,414)
Locally Managed Schools' Balances	(5,930)	(1,848)	(7,778)
Elections Reserve	(200)	(200)	(400)
Area Board Reserve	(34)	(134)	(168)
Revenue Grants Earmarked Reserve	(6,714)	3,282	(3,432)
PFI Housing Scheme Earmarked Reserve	(2,851)	90	(2,761)
Economic Development & Planning Reserve	(21)	(31)	(52)
Single View of the Customer Reserve	(829)	88	(741)
Play Area Asset Transfers	(80)	(19)	(99)
Enabling Fund	(5,227)	1,816	(3,411)
Business Rates Equalisation Fund	(4,828)	(1,030)	(5,858)
Housing Benefit Subsidy Clawback	(500)	500	0
Childrens Management System	(325)	325	0
Disabled Facilities Grant	(274)	274	0
Adoption West	(200)	127	(73)
Waste Transformation	(1,250)	1,250	0
Area Board Pavements	(150)	(150)	(300)
Leisure	(67)	10	(57)
Capital Financing	(3,300)	972	(2,328)
Development of Local Plan	(500)	200	(300)
Building control	(30)	30	0
Development control cyclical fund	(66)	66	0
Reducing Parental Conflict	0	(40)	(40)
CAMHS Funding	0	(76)	(76)
Pewsey Campus	0	(32)	(32)
National Armed Forces Day	0	(35)	(35)
Culver Street Car Park	0	(25)	(25)
Microsoft Contract	0	(800)	(800)
Young Parents Support	0	(250)	(250)
Oxenwood	0	(80)	(80)
Ofsted	0	(450)	(450)
School Readiness	0	(300)	(300)
Salisbury Recovery	0	(500)	(500)
Total	(40,488)	3,245	(37,243)

Note 33 Major Repairs Reserve

The Major Repairs reserve was a requirement under the Accounts and Audit Regulations to transfer into it a sum not less than the Major Repairs Allowance, which was an element of the former HRA subsidy. Now that the HRA is self financing, the reserve is no longer a formal requirement but can be used as previously to earmark funds to be spent for capital expenditure on Housing Revenue Account assets.

	2018/2019 £000	2017/2018 £000
Transfer to Capital	(12,153)	11,131
HRA Depreciation	9,013	(11,548)
Transfer to HRA		0
Movement in Year	(3,140)	(417)
Balance at 1 April	(1,599)	(1,182)
Balance at 31 March	(4,739)	(1,599)

Note 34 Usable Capital Receipts Reserve

	2018/2019 £000	£000	2017/2018 £000
Amounts Receivable in year			
- disposal of land and buildings	(14,737)		(8,798)
- Other capital receipts - mortgages	(269)		(229)
- Other capital receipts	(421)		(352)
- Housing Pooled Capital Receipt	(875)		(755)
		(16,302)	(10,134)
Amounts applied to finance new capital investment in year			
- capital receipts utilised	11,602		6,104
- capital receipts utilised for HRA repayment	4,810		0
- transfer to I&E for administration costs of Housing Pooling	42		0
- transfer to I&E equal to contribution to Housing Pooled Capital receipt	875		755
		17,329	6,859
Movement in Year		1,027	(3,275)
Balance at 1 April		(12,997)	(9,722)
Balance at 31 March		(11,970)	(12,997)

Note 35 Unusable Reserves

Reserve	Note	2018/2019 £000	2017/2018 £000
Revaluation Reserve	36	(239,185)	(250,631)
Capital Adjustment Account	37	(410,607)	(381,111)
Financial Instruments Adjustment Account		951	953
Deferred capital receipts		(1,701)	(1,806)
Pensions Reserve	38	613,750	550,836
Collection Fund Adjustment Account		(311)	(2,391)
Accumulated Absences Account		5,916	6,349
Total Unusable Reserves		(31,187)	(77,801)

Note 36 Revaluation Reserve

The balance of this account represents the revaluation gains (as certified by the Council's external valuer - GVA Grimley, and the Council's internal valuer for farms) made by the Council arising from increases in the value of its Property, Plant and Equipment assets. The reserve only contains revaluation gains accumulated since 1 April 2007, the date the reserve was created. Accumulated gains prior to this have been consolidated into the balance on the Capital Adjustment account.

Revaluation Reserve	2018/2019	2017/2018
	£000	£000
Balance at 1 April	(250,631)	(229,778)
Upward revaluation of assets	(29,960)	(47,905)
Downward revaluations not charged to surplus/ deficit on the provision of services	21,730	8,499
Surplus or deficit on revaluation of non-current assets not posted to surplus/ deficit on the provision of services	(258,861)	(269,184)
Difference between fair value depreciation and historic cost depreciation	10,272	9,323
Accumulated gains on assets sold or scrapped	9,404	9,230
Balance at 31 March	(239,185)	(250,631)

Note 37 Capital Adjustment Account

The Capital Adjustment Account reflects the timing differences arising from the different arrangements for accounting for the financing of the acquisition of assets and the consumption of those assets.

This account shows the reversal of amounts relating to Capital that are charged to the Comprehensive Income and Expenditure Statement. It also shows the financing of capital expenditure and the reversal of sums charged to the Comprehensive Income and Expenditure Statement that have been set aside to repay debt.

Capital Adjustment Account

	2018/2019	2017/2018
	£000	£000
Opening balance at 1 April	(381,111)	(349,593)
Reversal of items relating to capital expenditure debited or credited to the comprehensive income and expenditure account		
- charges for depreciation of non-current assets	36,282	32,385
- charges for impairment/ revaluations of plant, property and equipment	20,789	20,357
- gains in fair value on Investment properties	(899)	(524)
- amortisation of intangible assets	356	446
- revenue expenditure funded from capital under statute	17,842	19,119
- disposals	38,909	22,396
	113,279	
Adjusting amounts written out of Revaluation Reserve	(19,676)	(18,553)
Other Adjustment to Revaluation Reserve		
Net written out amount of the cost of non-current assets consumed in the year	(287,508)	(273,967)
Capital financing applied in the year		
-Use of capital receipts reserve to finance new capital expenditure	(11,602)	(6,104)
-Use of major repairs reserve to finance new capital expenditure	(9,013)	(11,131)
-application of capital grants	(78,345)	(71,675)
-statutory provision for the financing of capital investment charged against the general fund and HRA balances	(13,842)	(11,472)
-capital expenditure charged against the general fund and HRA balances	(5,487)	(6,762)
-Use of capital receipts reserve to finance HRA debt repayment	(4,810)	0
Balance at 31 March	(410,607)	(381,111)

Note 38 Pension Fund Liability

The movement in the liabilities in the Pension Fund are as follows:

	Period ended 31 March 2019			Period ended 31 March 2018		
	Assets		Net (liability)/ asset	Assets		Net (liability)/ asset
	Obligations	Liabilities		Obligations	Liabilities	
£000	£000	£000	£000	£000	£000	
Fair value of employer assets	1,044,986	0	1,044,986	971,217	0	971,217
Present value of funded liabilities	0	(1,539,538)	(1,539,538)	0	(1,525,509)	(1,525,509)
Present value of unfunded liabilities	0	(56,284)	(56,284)	0	(58,499)	(58,499)
Opening Position	1,044,986	(1,595,822)	(550,836)	971,217	(1,584,008)	(612,791)
Service cost						
Current service cost*	0	(49,915)	(49,915)	0	(50,252)	(50,252)
Past service cost (including curtailments)	0	(872)	(872)	0	(376)	(376)
Effect of settlements	(985)	1,583	598	(4,440)	7,377	2,937
Total service cost	(985)	(49,204)	(50,189)	(4,440)	(43,251)	(47,691)
Net interest						
Interest income on plan assets	27,035	0	27,035	24,064	0	24,064
Interest cost on defined benefit obligation	0	(41,524)	(41,524)	0	(39,517)	(39,517)
Impact of asset ceiling on net interest	0	0	0	0	0	0
Total net interest	27,035	(41,524)	(14,489)	24,064	(39,517)	(15,453)
Total defined benefit cost recognised in Profit or (Loss)	26,050	(90,728)	(64,678)	19,624	(82,768)	(63,144)
Cashflows						
Plan participants' contributions	7,781	(7,781)	0	7,577	(7,577)	0
Employer contributions	32,702	0	32,702	30,134	0	30,134
Contributions in respect of unfunded benefits	3,547	0	3,547	3,480	0	3,480
Benefits paid	(48,200)	48,200	0	(45,849)	45,849	0
Unfunded benefits paid	(3,547)	3,547	0	(3,480)	3,480	0
Expected closing position	1,063,319	(1,642,584)	(579,265)	982,703	(1,625,024)	(642,321)
Remeasurements						
Change in demographic assumptions	0	0	0	0	0	0
Change in financial assumptions	0	(95,154)	(95,154)	0	29,294	29,294
Other experience	0	(430)	(430)	0	(92)	(92)
Return on assets excluding amounts included in net interest	61,099	0	61,099	62,283	0	62,283
Total remeasurements recognised in Other Comprehensive Income (OCI)	61,099	(95,584)	(34,485)	62,283	29,202	91,485
Effect of business combination and disposals	0	0	0	0	0	0
Fair value of employer assets	1,124,418	0	1,124,418	1,044,986	0	1,044,986
Present value of funded liabilities	0	(1,682,916)	(1,682,916)	0	(1,539,538)	(1,539,538)
Present value of unfunded liabilities	0	(55,252)	(55,252)	0	(56,284)	(56,284)
Closing position	1,124,418	(1,738,168)	(613,750)	1,044,986	(1,595,822)	(550,836)

* The current service cost includes an allowance for administration expenses of 0.5% of payroll.

NOTES TO THE CASHFLOW STATEMENT**Note 39 Cash Flow Operating Activities**

The cash flows for operating activities include the following items:

	2018/2019	2017/2018
	£000	£000
Interest Received	(960)	(428)
Interest Payable	12,328	12,590

Note 40 Cash Flow Investing Activities

	2018/2019	2017/2018
	£000	£000
Purchase of Property, plant and equipment, investment property and intangible assets	91,305	92,798
Net Investments	38,472	7,014
Proceeds from sale of property, plant and equipment, investment property and intangible assets	(16,071)	(9,941)
Other receipts from investing activities	(88,094)	(90,882)
Net Cash flows from investing activities	25,612	(1,011)

Note 41 Cash Flow Financing Activities

	2018/2019	2017/2018
	£000	£000
Cash Receipts of short and long term borrowing	15,213	12,554
Net cash flows from financing activities	15,213	12,554

NOTES RELATING TO ACCOUNTING DECISION MAKING**Note 42 Accounting Standards that have been issued but have not yet been adopted**

For 2018/2019, there are a number of accounting policy changes that have been issued but not yet adopted. The standards introduced in the 2019/2020 Code of Practice that have not yet been adopted are:

- Amendments to IAS 40 Investment Property: Transfers of Investment Property
- Annual Improvements to IFRS Standards 2014-2016 Cycle
- IFRIC 22 Foreign Currency Transactions and Advance Consideration
- IFRIC 23 Uncertainty over Income Tax Treatments
- Amendments to IFRS 9 Financial Instruments: Prepayment Features with Negative Compensation

The code of practice requires the Council to disclose information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted by the Code for the relevant financial year. It is considered that these standards will not have a material impact on the financial statements of Wiltshire Council, so no further disclosure is required in these accounts in this year.

Note 43 Critical Judgements in applying accounting policies

In applying the Accounting Policies set out in the Notes to the Accounts Annex 1, the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events.

The main critical judgement made in the Statement of Accounts is that there remains a degree of uncertainty about future levels of funding for local government for both Revenue and Capital funding. However, the Council has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Council might be impaired as a result of a need to close facilities and reduce levels of service provision. These assumptions are included in the Council's Business Plan.

Note 44 Assumptions made about the future and other major sources of estimation uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Council's Balance Sheet at 31 March 2019 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Property, Plant and Equipment

Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Council will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.

If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls. The total depreciation charge made in 2018/2019 on PPE assets was £36 million so if the assumptions were to change this could have an effect on the amount of depreciation charged in future years. This would be mitigated by the fact that depreciation is reversed out so has no impact on the level of Council Tax.

Fair measurements value

When the fair values of financial assets and financial liabilities cannot be measured based on quoted prices in active markets (i.e. Level 1 inputs), their fair value is measured using valuation techniques (e.g. quoted prices for similar assets or liabilities in active markets or the discounted cash flow (DCF) model), however per note 59, the Council does not hold any of this type of asset at present. Where possible, the inputs to these valuation techniques are based on observable data, but where this is not possible judgement is required in establishing fair values. These judgements typically include considerations such as uncertainty and risk. However, changes in the assumptions used could affect the fair value of the Council's assets and liabilities.

Information about the valuation techniques and inputs used in determining the fair value of the authority's assets and liabilities is disclosed in note 52 below.

The Council uses the discounted cash flow (DCF) model to measure the fair value of some of its investment properties and financial assets.

The significant unobservable inputs used in the fair value measurement include management assumptions regarding rent growth, vacancy levels (for investment properties) and discount rates – adjusted for regional factors (for both investment properties and some financial assets).

Significant changes in any of the unobservable inputs would result in a significantly lower or higher fair value measurement for the investment properties and financial assets.

This list does not include assets and liabilities that are carried at fair value based on a recently observed market price.

Provisions

The Council has made a number of provisions in the accounts, totalling £3.596 million. These are based on current information and current likely settlement value. Provisions will need to be reviewed on a regular basis to ensure they are kept up to date. Further information is found in note 29.

An increase or decrease over the forthcoming year in either the total number of claims, appeals or the estimated average settlement would have the effect of changing the level of provision needed.

Pensions Liability

Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Council with expert advice about the assumptions to be applied.

The effects on the net pension liability of changes in individual assumptions can be measured and further details of the assumptions are in note 49.

Arrears

At 31 March 2018, the Council had a balance of short term debtors of £72.9 million. A bad debt provision of £22.4 million or around 31% of the debt has been made. In the current economic climate it is difficult to assess the accuracy of this provision, but this will be continually.

An increase or decrease in collection rates would have the effect of changing the level of provision needed. See note 26 for further details.

Note 45 Authorisation of Accounts for Issue

These accounts were considered and authorised by the Chief Financial Officer of Wiltshire Council on 31 May 2019. The final audited version of these accounts will be considered for approval by the Audit Committee at its meeting on 24 July 2019.

Note 46 Events after the Balance Sheet Date

The Statement of Accounts were authorised by the Chief Financial Officer on 31 May 2019. Events taking place after this date are not reflected in the financial statements or notes.

Where events take place or further information is obtained before this date, the figures in the financial statements and notes will be adjusted in all material respects to reflect the impact of this information.

There are no adjusting events after the balance sheet date for 2018/2019.

Note 47 Contingent Liabilities

A contingent liability is a potential liability which depends on the occurrence or non-occurrence of one or more uncertain future events. The Council is required to disclose an estimate in respect of future costs that may occur that are not currently reflected in the accounts. The Council has identified one contingent liability as at 31 March 2019:

Insurance Claims

As at 31 March 2019 there are 20 insurance claims where liability has yet to be established. The estimated value of these claims should the Council be found liable in every instance is £0.570 million

Legal Claim

As at 31 March 2019 there was 1 legal claim pending a tribunal. The estimated value of this claim should the Council be found liable is £0.080 million

Note 48 Pension Schemes Accounted for as defined contribution Schemes**Teachers pension scheme**

In 2018/2019 the Council paid £9.58 million (£9.81 million in 2017/2018) to the Department for Education and Skills in respect of teachers' pension costs which represent 16.48% of teachers' pensionable pay. In addition, the Council is responsible for all pension payments relating to added years it has awarded, together with the related increases. In 2018/2019 these amounted to £2.38 million (£2.37 million in 2017/2018).

Note 49 Defined benefit Pension Schemes**Participation in Pensions Schemes**

As part of the terms and conditions of employment for officers and other employees, the Council offers retirement benefits. Although these will not actually be payable until employees retire, the Council has a commitment to make the payments and this needs to be disclosed at the time that employees earn their future entitlement.

The Council participates in two pension schemes:

- The Local Government Pension Scheme for civilian employees, administered by Wiltshire Council – this is a funded scheme, meaning that the Council and employees pay contributions into a fund, calculated at a level estimated to balance the pensions liabilities with investment assets.
- The Teachers' Pension Scheme – this is an unfunded scheme, meaning that there are no investments assets built up to meet the provisions liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due. The liability for this scheme falls upon central government.

Liabilities for the LGPS pension scheme have been assessed by Hymans Robertson, an independent firm of actuaries, on an actuarial basis using the projected unit method based on the full actuarial valuation of the fund carried at 31 March 2019.

Pension costs have been charged to the Comprehensive Income and Expenditure Statement on the basis required by IAS 19, contributions payable to the Wiltshire Council pension scheme are based on a 2019 actuarial valuation report dated 31 March 2019. These IAS 19 amounts are then reversed out by a contribution to/from the Pensions reserve, so that they have no impact on the Council Tax.

Assets and liabilities in relation to Retirement Benefits

The underlying assets and liabilities for the retirement benefits attributable to the Council as at 31 March 2019 are as follows:

Local Government Pension Scheme	31 March 2019	31 March 2018
	£000	£000
Fair Value of Employer Assets	1,124,418	1,044,986
Present Value of Funded Liabilities	(1,682,916)	(1,539,538)
Net (Under)/Overfunding in Funded Plans	(558,498)	(494,552)
Present value of Unfunded Liabilities	(55,252)	(56,284)
Net Asset/(Liability)	(613,750)	(550,836)
Amount on balance sheet		
Asset	1,124,418	1,044,986
Liability	(1,738,168)	(1,595,822)
Liability Amount in Balance Sheet	(613,750)	(550,836)

A more detailed breakdown is included in note 38

Information about the defined benefit obligation

	Liability split £000	Liability split %	Duration years
Active members	675,815	40.2	23.8
Deferred members	429,174	25.5	21.6
Pensioner members	577,927	34.3	10.1
Total	1,682,916	100.0	16.5

The obligation shows the underlying commitments that the Council has in the long run to pay retirement benefits. Statutory arrangements for the funding of the deficit mean that the financial position of the Council remains healthy. The deficit on the scheme will be made good by increased contributions over the remaining working life of employees, as assessed by the scheme actuary.

Pension Assumptions**Financial Assumptions**

The estimates of pensions payable in future years are dependent on certain assumptions. The main assumptions used in the calculations are:

Assumptions as at Year Ended:	31 March 2019 % per annum	31 March 2018 % per annum
Pension Increase Rate	2.5%	2.4%
Salary Increase Rate	2.8%	2.7%
Discount Rate	2.4%	2.6%

Assumptions on Mortality Rates

Life expectancies are based on the Fund's Vita Curves with improvements. Based on this, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current Pensioners	22.5 years	24.9 years
Future Pensioners	24.1 years	26.7 years

Life expectancies for the prior period end are based on the Fund's analysis. The allowance for future life expectancies is shown below:

Year Ended	Prospective Pensioners	Pensioners
31 March 2018	CMI 2013 model assuming the current rate of improvements has peaked and will converge to a long term rate of 1.25% p.a.	CMI 2013 model assuming the current rate of improvements has peaked and will converge to a long term rate of 1.25% p.a.

Pension Assets**Fair value of employer assets**

Assets in the Wiltshire County Council Pension Fund are valued at a fair value, principally market value for investment and consist of the following categories, by proportion:

Asset Category	31 March 2019				31 March 2018				
	Quoted Prices in Active Markets £000	Prices not quoted in Active Markets £000	Total £000	%	Quoted Prices in Active Markets £000	Prices not quoted in Active Markets £000	Total £000	%	
Equity Securities:									
Consumer	23,342	0	23,342	2%	21,693	0	21,693	2%	
Manufacturing	17,380	0	17,380	2%	16,152	0	16,152	2%	
Financial Institutions	3,178	0	3,178	0%	2,954	0	2,954	0%	
Health & Care	5,028	0	5,028	0%	4,673	0	4,673	0%	
Information Technol	115,462	0	115,462	10%	107,305	0	107,305	10%	
Other	9,399	0	9,399	1%	8,735	0	8,735	1%	
Real Estate:									
UK Property	0	117,928	117,928	11%	0	109,598	109,598	11%	
Overseas Property	0	25,691	25,691	2%	0	23,876	23,876	2%	
Investment Funds & Unit Trusts:									
Equities	0	591,598	591,598	53%	0	549,806	549,806	53%	
Bonds	0	184,071	184,071	16%	0	171,067	171,067	16%	
Infrastructure	0	19,855	19,855	2%	0	18,453	18,453	2%	
Other	0	3,132	3,132	0%	0	2,910	2,910	0%	
Cash & Cash Equivalents									
All	8,354	0	8,354	1%	7,764	0	7,764	1%	
Total	182,143	942,275	1,124,418	100%	169,276	875,710	1,044,986	100%	

Projected defined benefit costs for the period to 31 March 2020

The estimated employer contributions for the year to 31 March 2020 will be approximately £31.392 million.

The amounts determined by the actuary to be charged to the revenue account under IAS 19 were as follows:

Period Ended 31 March 2020	Assets	Obligations	Net (Liability)/Asset	
	£000	£000	£000	% of Payroll
Projected Current Service Cost	0	55,381	(55,381)	(45.3%)
Total Service Costs	0	55,381	(55,381)	(45.3%)
Interest Income on Plan Assets	26,878	0	26,878	22.0%
Interest Cost on Defined Benefit Obligation	0	41,851	(41,851)	(34.2%)
Total Net Interest Cost	26,878	41,851	(14,973)	(12.2%)
Total included in Profit or Loss	26,878	97,232	(70,354)	(57.5%)

Sensitivity Analysis

The sensitivity regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in Assumptions as at 31 March 2019	Approximate % increase to Employer	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	10%	173,223
0.5% increase in the Salary Increase Rate	1%	18,965
0.5% increase in the Pension Increase Rate	9%	151,839

Further information can be found in the Wiltshire Pension Fund annual report 2018/2019 which is available on request. Requests for this report, or any other queries arising from the Wiltshire Pension Fund Accounts, should be addressed to the Director, Finance & Procurement, Wiltshire Council, County Hall, Bythesea Road, Trowbridge, BA14 8JN.

Note 50 Nature and Extent of risks arising from Financial Instruments

Risk management is carried out by a central treasury team, under policies approved by the Council in the annual treasury management strategy. The Council provides written principles for overall risk management, as well as written policies (covering specific areas, such as interest rate risk, credit risk, and the investment of surplus cash.

The Council's activities expose it to a variety of financial risks. The key risks are:

- **Credit risk** - the possibility that other parties might fail to pay amounts due to the Council;
- **Liquidity risk** - the possibility that the Council might not have funds available to meet its commitments to make payments;
- **Refinancing risk** - the possibility that the Council might be requiring to renew a financial instrument on maturity at disadvantageous interest rates or terms; and
- **Market risk** - the possibility that financial loss might arise for the Council as a result of changes in such measures as interest rates or stock market movements.

The Council's overall risk management programme focuses on the unpredictability of financial markets, and seeks to minimise potential adverse effects on the resources available to fund services.

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers.

This risk is minimised through the Annual Investment Strategy, which is available on the Council's website.

The Annual Investment Strategy requires that deposits are not made with financial institutions unless they meet identified minimum credit criteria, in accordance with the Fitch, Moody's and Standard & Poor's Credit Ratings Services. The Annual Investment Strategy also considers maximum amounts and time limits with a financial institution located in each category.

The credit criteria in respect of financial assets held by the Council are detailed below:

The Council uses the creditworthiness service provided by Link Asset Services. This service uses a sophisticated modelling approach with credit ratings from all three rating agencies - Fitch, Moody's and Standard and Poor's, forming the core element. However, it does not rely solely on the current credit ratings of counterparties but also uses the following as overlays:

- credit watches and credit outlooks from credit rating agencies
- CDS spreads to give early warning of likely changes in credit ratings

- sovereign ratings to select counterparties from only the most creditworthy countries

The full Investment Strategy for 2018/2019 was approved by Full Council on 20 February 2018 and is available on the Council's website.

Customers for goods and services are assessed, taking into account their financial position, past experience and other factors, with individual credit limits being set in accordance with internal ratings in accordance with parameters set by the Council.

The Council's maximum exposure to credit risk in relation to its investments in financial institutions of £102.249 million cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution. Recent experience has shown that it is rare for such entities to be unable to meet their commitments. A risk of irrecoverability applies to all of the Council's deposits, but there was no evidence at 31 March 2019 that this was likely to crystallise.

No credit limits were exceeded during the reporting period and the Council does not expect any losses from non-performance by any of its counterparties in relation to deposits.

Amounts Arising from Expected Credit Losses

Impairments arising from expected credit losses have been calculated using an historical default table provided by Link Asset Services.

The 12 month Expected Credit Loss for Individual Financial Assets (Fixed Term Deposits) recognised at amortised cost during 2018/2019 is £6,984.69.

For deposits with Local Authorities no impairment is required since the Code does not recognise a loss allowance where the counterparty for a financial asset is central government or a local authority for which relevant statutory provisions prevent default.

As the calculated impairment of £6,984.69 is considered to be immaterial there no need to recognise this in the Comprehensive Income & Expenditure Statement.

During the year, no financial assets were written off by the Council.

Credit Risk Exposure

The Council has the following exposure to credit risk at 31 March 2019.

	Credit Risk Rating	Gross Carrying Amount £000s
12 month expected credit losses	AAA	54,037
	AA	13
	AA-	24,136
	A+	16,053
	A	8,010
	BBB	0
	Sub BBB	0
Maximum Credit Risk Exposure		102,249
Landsbanki Winding Up Board		28
Total Carrying Amount of all Investments		102,277

The 12 month expected credit losses do not include the carrying amount for Landsbanki Winding Up Board as this investment has already been impaired.

During 2018/2019 the council held no collateral as security.

Liquidity Risk

The Council manages its liquidity position through the risk management procedures above (the setting and approval of prudential indicators and the approval of the treasury and investment strategy reports), as well as through a comprehensive cash flow management system, as required by the CIPFA Code of Practice. This seeks to ensure that cash is available when needed.

The Council has ready access to borrowings from the money markets to cover any day to day cash flow need, and the PWLB and money markets for access to longer term funds. The Council is also required to provide a balanced budget through the Local Government Finance Act 1992, which ensures sufficient monies are raised to cover annual expenditure. There is therefore no significant risk that it will be unable to raise finance to meet its commitments under financial instruments.

Outstanding investment (£102.249 million) are all due to be repaid in less than one year.

Refinancing and Maturity Risk

The Council maintains a significant debt and investment portfolio. Whilst the cash flow procedures above are considered against the refinancing risk procedures, longer-term risk to the Council relates to managing the exposure to replacing financial instruments as they mature. This risk relates to both the maturing of longer term financial liabilities and longer term financial assets.

The approved treasury indicator limits for the maturity structure of debt and the limits placed on investments placed for greater than one year in duration are the key parameters used to address this risk. The Council approved treasury and investment strategies address the main risks and the central treasury team address the operational risks within the approved parameters. This includes:

- monitoring the maturity profile of financial liabilities and amending the profile through either new borrowing or the rescheduling of the existing debt; and
- monitoring the maturity profile of investments to ensure sufficient liquidity is available for the Council's day to day cash flow needs, and the spread of longer term investments provide stability of maturities and returns in relation to the longer term cash flow needs.

The maturity analysis of financial liabilities is as follows, with the maximum and minimum limits for fixed interest rates maturing in each period (as approved in the Treasury Management Strategy 2018/2019):

Maturity Analysis of Financial Liabilities

	Approved Minimum Limits	Approved Maximum Limits	Actual 31 March 2019		Actual 31 March 2018	
			£000s	%	£000s	%
Less than 1 Year	0%	25%	10,172	2.9%	16,951	5.1%
Between 1 and 2 Years	0%	25%	4,000	1.2%	8,000	2.4%
Between 2 and 5 Years	0%	45%	28,000	8.1%	22,000	6.7%
Between 5 and 10 Years	0%	75%	50,123	14.5%	50,123	15.2%
More than 10 Years	0%	100%	252,906	73.3%	232,914	70.6%
			345,201	100.0%	329,988	100.0%

Market Risk – Interest Rate Risk

The Council is exposed to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Council, depending on how variable and fixed interest rates move across differing

financial instrument periods. For instance, a rise in variable and fixed interest rates would have the following effects:

- Borrowings at variable rates – the interest expense charged to the Comprehensive Income and Expenditure Statement will rise;
- Borrowings at fixed rates – the fair value of the borrowing will fall (no impact on revenue balances);
- Investments at variable rates – the interest income credited to the Comprehensive Income and Expenditure Statement will rise; and
- Investments at fixed rates – the fair value of the assets will fall (no impact on revenue balances).

Borrowings are not carried at fair value on the balance sheet, so nominal gains and losses on fixed rate borrowings would not impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services and affect the General Fund Balance. Movements in the fair value of fixed rate investments that have a quoted market price will be reflected in the Other Comprehensive Income and Expenditure Statement.

The Council has a number of strategies for managing interest rate risk. The Annual Treasury Management Strategy draws together Council's prudential and treasury indicators and its expected treasury operations, including an expectation of interest rate movements. From this Strategy a treasury indicator is set which provides maximum limits for fixed and variable interest rate exposure. The central treasury team will monitor market and forecast interest rates within the year to adjust exposures appropriately. For instance during periods of falling interest rates, and where economic circumstances make it favourable, fixed rate investments may be taken for longer periods to secure better long term returns, similarly the drawing of longer term fixed rates borrowing would be postponed.

According to this assessment strategy, at 31 March 2019, if all interest rates had been 1% higher (with all other variables held constant) the financial effect would be:

Effects of a 1% Increase in Interest Rates

	2018/2019
	£000
Increase in interest payable on variable rate borrowings	0
Increase in interest receivable on variable rate investments	0
Increase in Government grant receivable for financing costs*	0
Impact on Surplus or Deficit on the Provision of Services	0
Share of overall impact debited to the HRA	0
Decrease in fair value of fixed rate investment assets	(312)
Impact on Other Comprehensive Income and Expenditure	0
Decrease in fair value of fixed rate borrowings liabilities (no impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure)	59,872

The approximate impact of a 1% fall in interest rates would be as above but with the movements being reversed. These assumptions are based on the same methodology as used in Note 51 – Fair Value.

Market Risk - Price Risk

The Council, excluding the pension fund, does not generally invest in equity shares or marketable bonds.

Market Risk - Foreign Exchange Risk

The Council has no material financial assets or liabilities denominated in foreign currencies. It therefore has no exposure to loss arising from movements in exchange rates.

Note 51 Fair Value

All financial liabilities and financial assets represented by loans and receivables are carried on the balance sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that take place over the remaining life of the instruments, using the following assumptions:

- For loans from the PWLB payable, borrowing rates from the PWLB have been applied to provide the fair value under PWLB debt redemption procedures. An additional note to the tables sets out the alternative fair value measurement applying the premature repayment, highlighting the impact of the alternative valuation;
- For non-PWLB loans payable, prevailing market rates have been applied to provide the fair value;
- For loans receivable prevailing benchmark market rates have been used to provide the fair value;
- No early repayment or impairment is recognised;
- Where an instrument has a maturity of less than 12 months or is a trade or other receivable the fair value is taken to be the carrying amount or the billed amount;
- The fair value of trade and other receivables is taken to be the invoiced or billed amount.

The following table shows the fair values, based on new borrowing rates:

Financial Liabilities	31 March 2019		31 March 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	£000	£000	£000	£000
Long Term Debt:				
Non-PWLB (Market) Debt	(61,981)	(93,298)	(61,993)	(91,725)
PWLB Debt	(283,220)	(345,810)	(267,995)	(323,216)
Total Long Term Debt	(345,201)	(439,108)	(329,988)	(414,941)
Temporary Debt	0	0	0	0
Short Term Debt	0	0	0	0
Total Debt Value	(345,201)	(439,108)	(329,988)	(414,941)
Short Term Creditors	(95,689)	(95,689)	(86,079)	(86,079)
Long Term Creditors	(14,042)	(14,042)	(7,676)	(7,676)
Total Financial Liabilities	(454,932)	(548,839)	(423,743)	(508,696)

The following table shows the fair values, based on the alternative premature repayment borrowing rates:

Financial Liabilities	31 March 2019		31 March 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	£000	£000	£000	£000
Long Term Debt:				
Non-PWLB (Market) Debt	(61,981)	(115,586)	(61,993)	(113,966)
PWLB Debt	(283,220)	(394,816)	(267,995)	(363,610)
Total Long Term Loans	(345,201)	(510,402)	(329,988)	(477,576)
Temporary Debt	0	0	0	0
Short Term Debt	0	0	0	0
Total Loans Value	(345,201)	(510,402)	(329,988)	(477,576)
Short Term Creditors	(95,689)	(95,689)	(86,079)	(86,079)
Long Term Creditors	(14,042)	(14,042)	(7,676)	(7,376)
Total Financial Liabilities	(454,932)	(620,133)	(423,743)	(571,031)

The fair value of the liabilities is greater than the carrying amount because the Council's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the rates available for similar loans in the market at the balance sheet date. This shows a notional future loss (based on economic conditions at 31 March 2019) arising from a commitment to pay interest to lenders above current market rates.

The Council has a continuing ability to borrow at concessionary rates from the PWLB rather than from the markets. A supplementary measure of the additional interest that the Council will pay as a result of its PWLB commitments for fixed rate loans is to compare the terms of these loans with the new borrowing rates available from the PWLB. If a value is calculated on this basis, the carrying amount of £283.220 million would be valued at £345.810 million. But, if the Council were to seek to avoid the projected loss by repaying the loans to the PWLB, the PWLB would raise a penalty charge for early redemption in addition to charging a premium for the additional interest that will not now be paid. The exit price for the PWLB loans including the penalty charge would be £394.816 million.

	31 March 2019		31 March 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets	£000	£000	£000	£000
Loans and Receivables:				
Cash and Cash Equivalents	0	0	0	0
Money markets Loans < 1 Year	14,931	14,931	13,700	13,700
Short Term investment	87,311	87,311	50,106	50,106
Total Loans and Receivables	102,242	102,242	63,806	63,806
Short Term Debtors	50,531	39,421	50,614	40,995
Long Term Debtors	6,403	6,403	5,638	5,638
Total Financial Assets	159,176	148,066	120,058	110,439

The fair value of the assets is equal to the carrying amount - because the Council's portfolio of loans only includes short term loans (less than one year to maturity), even with a fluctuation in shorter term rates, the difference between the carrying amount and the fair value will be immaterial.

Short-term debtors and creditors are carried at cost as this is a fair approximation of their value.

Note 52 Fair Value Measurement of Investment Properties

Fair Value Hierarchy

Details of the Council's investment properties and information about the fair value hierarchy as at 31 March 2019 and 2018 are as follows.

This table will be inserted once information has been received from external valuers.

Valuation Techniques used to Determine Level 2 and 3 Fair Values for Investment Properties

Significant Unobservable Inputs Level 3

The Council's Main Portfolio and Nurseries & Community Leases are measured using the income approach, by means of the discounted cash flow method, where the expected cash flows from the properties are discounted (using a market-derived discount rate) to establish the present value of the net income stream. The approach has been developed using the Council's own data requiring it to factor in assumptions such as the duration and timing of cash inflows and outflows, rent growth, occupancy levels, bad debt levels, maintenance costs, etc.

The whole of the Council's Investment Estate is therefore categorised as Level 3 in the fair value hierarchy as the measurement technique uses significant unobservable inputs to determine the fair value measurements (and there is no reasonably available information that indicates that market participants would use different assumptions).

Highest and Best Use of Investment Properties

In estimating the fair value of the Council's investment properties, the highest and best use of the properties is their current use.

Valuation Techniques

There has been no change in the valuation techniques used during the year for investment properties.

Quantitative Information about Fair Value Measurement of Investment Properties using Significant Unobservable Inputs – Level 3

This table will be inserted once information has been received from external valuers.

Valuation Process for Investment Properties

The fair value of the Council's investment property is measured annually at each reporting date. All valuations are carried out externally, in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors. The Council's Finance Officers work closely with the external valuer's and the Council's internal Strategic Property service reporting directly to the Chief Financial Officer on a regular basis regarding all valuation matters.

Notes to Accounts Annex 1 Accounting Policies

i. General Principles

The Statement of Accounts summarises the Council's transactions for the 2018/2019 financial year and its position at the year-end of 31 March 2019. The Council is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015 in accordance with proper accounting practices.

These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2018/2019 supported by International Financial Reporting Standards (IFRS).

ii. Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption; they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

iii. Provisions

Provisions are made where an event has taken place that gives the Council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For instance, the Council may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Council becomes aware of the obligation and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Council settles the obligation.

Landfill Allowance Schemes

Landfill allowances, whether allocated by DEFRA or purchased from another Waste Disposal Council (WDA) are recognised as current assets and are initially measured at fair value.

Landfill allowances allocated by DEFRA are accounted for as a government grant. After initial recognition, allowances are measured at the lower of cost and net realisable value. As landfill is used, a liability and an expense are recognised. The liability is discharged either by surrendering allowances or by payment of a cash penalty to DEFRA (or by a combination).

The liability is measured at the best estimate of the expenditure required to meet the obligation, normally the market price of the number of allowances required to meet the liability at the reporting date. However, where some of the obligation will be met by paying a cash penalty to DEFRA, that part of its liability is measured at the cost of the penalty.

Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Council a possible obligation, the existence of which will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Contingent Assets

A contingent asset arises where an event has taken place that gives the Council a possible asset, the existence of which will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

iv. Reserves

The Council sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service revenue account in that year and included in the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against council tax for the expenditure.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and do not represent usable resources for the Council – these reserves are explained in the relevant policies.

v. Government Grants and Contributions

Whether paid on account, by instalments or in arrears, government grants and third-party contributions and donations are recognised as due to the Council when there is reasonable assurance that:

- the Council will comply with the conditions attached to the payments, and
- the grants or contributions will be received.

Amounts recognised as due to the Council are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that

specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ringfenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement.

Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

Community Infrastructure Levy

The Council has elected to charge a Community Infrastructure Levy (CIL). The levy will be charged on new builds (chargeable developments for the Council) with appropriate planning consent. The council charges for and collects the levy, which is a planning charge. The income from the levy will be used to fund a number of infrastructure projects to support development in the area.

CIL is received without outstanding conditions, it is therefore recognised at the commencement date of the chargeable development in the Comprehensive Income & Expenditure Statement in accordance with the accounting policy for government grants and contributions set out above. CIL charges will be largely used to fund capital expenditure. However, a proportion of the charges may be used to fund revenue expenditure.

vi. Employee Benefits

Benefits Payable During Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees and are recognised as an expense for services in the year in which employees render service to the Council.

An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end, which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to the Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the Non Distributed Costs line in the Comprehensive Income and Expenditure Statement when the Council is demonstrably committed to the termination of the employment of an officer or group of officers or making an offer to encourage voluntary redundancy.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year end.

Post-Employment Benefits

Employees of the Council are eligible to join the following separate pension schemes:

- The Teachers' Pension Scheme, administered by Capita Teachers' Pensions on behalf of the Department for Education (DfE)
- The Local Government Pensions Scheme, administered by Wiltshire Council.

Both schemes provide defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Council.

However, the arrangements for the teachers' scheme mean that liabilities for these benefits cannot ordinarily be identified specifically to the Council. The scheme is therefore accounted for as if it were a defined contribution scheme and no liability for future payments of benefits is recognised in the Balance Sheet. The Children's and Education Services line in the Comprehensive Income and Expenditure Statement is charged with the employer's contributions payable to Teachers' Pensions in the year.

The Local Government Pension Scheme

The Local Government Scheme is accounted for as a defined benefits scheme.

The liabilities of the Wiltshire pension fund attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc, and projections of projected earnings for current employees.

Liabilities are discounted to their value at current prices, using a discount rate of 4.3% (based on the indicative rate of return on high quality corporate bonds (the Iboxx Sterling Corporates Index, AA over 15 years).

The assets of Wiltshire pension fund attributable to the Council are included in the Balance Sheet at their fair value:

- quoted securities – current bid price
- unquoted securities – professional estimate
- unitised securities – current bid price
- property – market value.

The change in the net pension liability is analysed into the following components:

- current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked
- past service cost – the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years – debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non-Distributed Costs
- interest cost – the expected increase in the present value of liabilities during the year as they move one year closer to being paid – debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement
- expected return on assets – the annual investment return on the fund assets attributable to the Council, based on an average of the expected long-term return – credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement

- gains or losses on settlements and curtailments – the result of actions to relieve the Council of liabilities or events that reduce the expected future service or accrual of benefits of employees – debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non-Distributed Costs
- actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – debited to the Pensions Reserve
- contributions paid to the Wiltshire pension fund – cash paid as employer’s contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The Council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff (including teachers) are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

vii. VAT

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty’s Revenue and Customs. VAT receivable is excluded from income.

viii. Overheads and Support Services

The costs of overheads and support services are not recharged to services as part of normal management accounts reporting. Therefore, there are no recharges for overheads and support services within the Comprehensive Income & Expenditure Statement.

ix. Intangible Fixed Assets

Expenditure on non-monetary assets that do not have physical substance but are controlled by the Council as a result of past events (e.g. software licences) is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Council.

Internally generated assets are capitalised where it is demonstrated that the project is technical, feasible and is intended to be completed (with adequate resources being available) and the authority will be able to generate future economic benefits or deliver service potential by being able to sell or use the asset. Expenditure is capitalised where it can be measured reliably as attributed to the asset and is restricted to that incurred during the development phase.

Expenditure on the development of websites is not capitalised if the website is solely or primarily intended to promote or advertise the Council’s goods and services.

Amortisation, impairment losses and disposal gains and losses can be charged to the Comprehensive Income and Expenditure Statement. However, they are not permitted to have an impact on the General Fund Balance, so the gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement.

x. Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition: Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred. The Council does not have a fixed de-minimis level for the recognition of capital expenditure but recognises expenditure as capital where appropriate.

Measurement: Assets are initially measured at cost, comprising the purchase price and any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Assets are carried in the Balance Sheet using the following measurement bases:

- Infrastructure, community assets and assets under construction – depreciated historical cost
- Dwellings – fair value, determined using the basis of existing use value for social housing (EUV-SH)
- Surplus Assets – the current value measurement base is fair value, estimated at highest as best use from a market participants perspective
- All other assets – fair value, determined as the amount that would be paid for the asset in its existing use value (EUV).

Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of fair value.

Assets included in the Balance Sheet at fair value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their fair value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains.

Where decreases in value are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment: Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired.

Where impairment losses are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land and certain Community Assets) and assets that are not yet available for use (i.e. assets under construction).

Depreciation is calculated on the following bases:

- dwellings and other buildings – straight-line allocation over the remaining useful life of the property as estimated by the valuer
- vehicles, plant, furniture and equipment – Straight line allocation over a useful life of 5 years or in the case of services within buildings remaining useful life of the services as estimated by the valuer
- Infrastructure – straight-line allocation over 60 years.

Where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Disposals and Non-current Assets Held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Any receipts from disposals are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal. Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received from a disposal in excess of £10,000 are categorised as capital receipts. A proportion of receipts relating to housing disposals (75% for dwellings, 50% for land and other assets) are payable to the Government. The balance of receipts is required to be credited to the Capital Receipts Reserve and can then only be used for new capital investment or set aside to reduce the Council's underlying need to borrow (the capital financing requirement).

The written-off value of disposals is not a charge against council tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing.

xi. Investment Property

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale.

Investment properties are measured initially at cost and subsequently at fair value, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. As a non-financial asset, investment properties are measured at the highest and best use. Properties are not depreciated but revalued annually according to market conditions at the year end. Gains and losses on revaluation are posted to the financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal. The same treatment is applied to gains and losses on disposal. Rentals received in relation to investment properties result in a gain for the General Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund Balance and are therefore reserved out in the Movement in Reserves Statement.

xii. Charges to Revenue for Non-Current Assets

Services, support services and trading accounts are debited with the following amounts to record the cost of holding fixed assets during the year:

- depreciation attributable to the assets used by the relevant service
- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off
- amortisation of intangible fixed assets attributable to the service.

The Council is not required to raise council tax to fund depreciation, revaluation and impairment losses or amortisations. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement. Depreciation, revaluation and impairment losses and amortisations are therefore replaced by the contribution in the General Fund Balance of a Minimum Revenue Provision (MRP).

Housing Revenue Account capital charges are calculated in accordance with the prescribed statutory determination.

xiii. Revenue Expenditure Funded from Capital Under Statute

Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year. Where the Council has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account then reverses out the amounts charged so that there is no impact on the level of council tax.

xiv. Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases. Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

The Council as Lessee

Finance Leases

Property, plant and equipment held under finance leases is recognised on the Balance Sheet at the commencement of the lease at its fair value measured at the lease's inception (or the present value of the minimum lease payments, if lower). The asset recognised is matched by a liability for the obligation to pay the lessor.

Lease payments are apportioned between:

- a charge for the acquisition of the interest in the property, plant or equipment – applied to write down the lease liability; and
- a finance charge (debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).

Property, Plant and Equipment recognised under finance leases is accounted for using the policies applied generally to such assets.

Operating Leases

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefitting from use of the leased property, plant or equipment.

The Council as Lessor

Finance Leases

Where the Council grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal. At the commencement of the lease, the carrying amount of the asset in the Balance Sheet is written off to the Comprehensive Income and Expenditure Statement as a gain or loss on disposal.

Lease rentals receivable are apportioned between:

- a charge for the acquisition of the interest in the property – applied to write down the lease debtor (together with any premiums received)
- finance income (credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).

Operating Leases

Where the Council grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

xv. Financial Instruments**Financial Liabilities**

Financial liabilities are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

For most of the borrowings that the Council has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest); and interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year according to the loan agreement.

Where premiums and discounts have been charged to the Comprehensive Income and Expenditure Statement, regulations allow the impact on the General Fund Balance to be spread over future years. The Council has a policy of spreading the gain or loss over the term that was remaining on the loan against which the premium was payable or discount receivable when it was repaid. The reconciliation of amounts charged to the Comprehensive Income and Expenditure Statement to the net charge required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

Loans and receivables**Financial Assets**

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cashflow characteristics. There are three main classes of financial assets measured at:

- Amortised cost;
- Fair value through profit or loss; and
- Fair value through other comprehensive income

The Council's business model is to hold investments to collect contractual cash flows. Financial assets are therefore classified as amortised cost, except for those whose contractual payments, are not solely payment of principal and interest

Financial Assets Measured at Amortised Cost

Financial assets measured at amortised cost are recognised on the balance Sheets when the council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Income and Expenditure line in the CIES for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the financial assets held by the Council, this means that the amount presented in the Balance sheet is the outstanding principal receivable (plus accrued interest) and interest is credited to the CIES is the amount receivable for the year in the loan agreement.

Expected Credit Loss Model

The Council recognises expected credit losses on all of its financial assets held at amortised cost either on a 12 month or lifetime basis. The expected credit loss model also applies to lease receivables and contract assets. Only life time leases are recognised for trade receivables (debtors) held by the Council.

Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis of 12 month expected losses.

Financial Assets measured at Fair Value through Profit or Loss

Financial assets that are measured at FVPL are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Fair value gains and losses are recognised as they arrive in the Surplus or Deficit on the Provision of Services.

The fair value measurements of the financial assets are based on the following techniques:

- Instruments with quoted market prices - the market prices
- Other instruments with fixed and determinable payments – discounted cash flow analysis.

The inputs to the measurement techniques are categorised in accordance with the following 3 levels:

- Level 1 inputs– quoted prices (unadjusted) in active markets for identical assets that the Council can access at the measurement date
- Level 2 inputs – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly
- Level 3 inputs – unobservable inputs for the asset.

xvi. Inventories and Long-Term Contracts

Inventories are included in the Balance Sheet at the lower of cost or net realisable value. Long term contracts are accounted for on the basis of charging the Surplus or Deficit on the Provision of Services with the value of works and services received under the contract during the financial year.

xvii. Interest in companies and other entities

The council has no material interest in any companies or other entities.

xviii. Private Finance Initiative (PFI) and similar contracts

PFI and similar contracts are agreements to receive services, where the responsibility for making available the property, plant and equipment needed to provide the services passes to the PFI contractor. As the Council is deemed to control the services that are provided under its PFI schemes, and as ownership of the property, plant and equipment will pass to the Council at the end of the contracts for no additional charge, the Council carries the assets used under the contracts on its Balance Sheet as part of Property, Plant and Equipment. The original recognition of these assets at fair value (based on the cost to purchase the property, plant and equipment) was balanced by the recognition of a liability for amounts due to the scheme operator to pay for the capital investment.

Non-current assets recognised on the Balance Sheet are revalued and depreciated in the same way as property, plant and equipment owned by the Council.

The amounts payable to the PFI operators each year are analysed into five elements:

- i. Fair value of the services received during the year – debited to the relevant service in the Comprehensive Income and Expenditure Statement
- ii. Finance cost – an interest charge made on the outstanding Balance Sheet liability, debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement

- iii. Contingent rent – increases in the amount to be paid for the property arising during the contract, debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement
- iv. Payment towards liability – applied to write down the Balance Sheet liability towards the PFI operator (the profile of write-downs is calculated using the same principles as for a finance lease)
- v. Lifecycle replacement costs – proportion of the amounts payable is posted to the Balance Sheet as a prepayment and then recognised as additions to Property, Plant and Equipment when the relevant works are eventually carried out.

xix. Exceptional Items

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of the Council's financial performance.

xx. Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Council's cash management.

xxi. Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Council's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

xxii. Events after the Balance Sheet Date

Events after the Balance Sheet date are those events that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue.

Two types of events can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events
- Those that are indicative of conditions that arose after the reporting period – the Statement of Accounts are not adjusted to reflect such events. Where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

xxiii. Non-Compliance with Code of Practice

For operational reasons, the accounts do not fully comply with the Code of Practice on minor points. The main non-compliance is in relation to debtors and creditors. Whilst the accounts are maintained on an accruals basis i.e. all sums due to or from the Council are included whether or not the cash has actually been received or paid in the year, exceptions are made for quarterly utilities payments based on meter reading dates. Since these policies are applied consistently year on year, they have no material effect on any one year's accounts.

xxiv. Foreign Currency

Where the Council has entered into a transaction denominated in a foreign currency, the transaction is converted into sterling at the exchange rate applicable on the date of the transaction. Where amounts in foreign currency are outstanding at the year-end, they are reconverted at the spot exchange rate at 31 March. Resulting gains or losses are recognised in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

xxv. Heritage Assets

The Council's Heritage Assets are assets that are kept to increase the knowledge, understanding and appreciation of the Council's history and local area. Heritage Assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Council's accounting policies on property, plant and equipment. However, some of the measurement rules are relaxed in relation to heritage assets as detailed below. The accounting policies in relation to heritage assets that are deemed to include elements of intangible heritage assets are also presented below.

If items are of a material nature a separate external revaluation exercise would be commissioned and the assets carried at market value in the balance sheet, alternatively insurance valuations would be used to establish value. If this was the case these assets would be reviewed for impairment on a regular basis and the figures in the balance sheet updated accordingly. Any disposals would be treated in the same way as other assets. If the values of the assets are of limited or no value, then they will be disclosed in a note to the accounts only and not brought into the balance sheet with a value. This decision is made based on whether the cost of obtaining a valuation exceeds the benefits to the users of the accounts.

For Wiltshire Council, which does not hold museum or art collections, the costs of commissioning external valuations exceeds the benefit to the users of the accounts therefore the assets are disclosed in a note to the accounts only. The assets disclosed in note 34 include a property (the East Grafton Windmill), the White Horse in Westbury, and a small collection of art held across the county.

xxvi. Carbon Reduction Commitment scheme

The Council is required to participate in the Carbon Reduction Commitment (CRC) Energy Efficiency Scheme. Phase 2 of this scheme began from 1 April 2014. The Council is required to purchase and surrender allowances, currently retrospectively, on the basis of emissions i.e. carbon dioxide produced as energy is used. As carbon dioxide is emitted (i.e. as energy is used), a liability and an expense are recognised. The liability will be discharged by surrendering allowances. The liability is measured at the best estimate of the expenditure required to meet the obligation, normally at the current market price of the number of allowances required to meet the liability at the reporting date. The cost to the Council is recognised and reported in the costs of the Council's services and is apportioned to services on the basis of energy consumption.

xxvii. Fair value measurement

The Council measures some of its non-financial assets such as surplus assets and investment properties and some of its financial instruments such as equity shareholdings at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- a) in the principal market for the asset or liability, or
- b) in the absence of a principal market, in the most advantageous market for the asset or liability.

The Council measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

When measuring the fair value of a non-financial asset, the Council takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Council uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the Council's financial statements are categorised within the fair value hierarchy, as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the authority can access at the measurement date
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 – unobservable inputs for the asset or liability.

xxviii. Council Tax and Non-domestic Rates

Billing authorities act as agents. Collecting council tax and non-domestic rates (NDR) on behalf of the major preceptors (including government for NDR) and, as principals, collecting council tax and NDR for themselves. Billing authorities are required by statute to maintain a separate fund, (the Collection Fund) for the collection and distribution due in respect of council tax and NDR. Under legislation framework for the Collection fund, billing authorities, major preceptors and central government share proportionately the risks and rewards that the amount of council tax and NDR collected could be more or less than predicted.

Accounting for Council Tax and Non-Domestic Rates (NDR)

The council tax and NDR income included in the Comprehensive Income and Expenditure Statement (CIES) is the Council's share of the accrued income for the year. However, regulations determine the amount of the council tax and NDR that must be in the Council's General Fund. Therefore, the difference between the CIES and the amount required by regulation to be credited to the General Fund is taken to the Collection Fund Adjustment Account and included as aa reconciling item in the movement in Reserves Statement.

The balance sheets includes the Council's share of the end of year balances in respect of council tax and NDR relating to arrears impairment allowances for doubtful debts, overpayments and prepayments and appeals.

Housing Revenue Account

This account records the transactions relating to the Council's housing stock. The Local Government and Housing Act 1989 requires its separation to give a clear picture of the cost of providing homes for council tenants. Housing Revenue Account income and expenditure does not affect the amount of Council Tax levied.

	NOTE	2018/2019		2017/2018	
		£000	£000	£000	£000
Income					
Rents (gross):					
- dwellings		(24,371)		(24,334)	
- garages		(374)		(359)	
- other		(611)	(25,356)	(349)	(25,042)
Charges for services and facilities			(901)		(633)
Total Income			<u>(26,257)</u>		<u>(25,675)</u>
Expenditure					
Repairs and Maintenance			5,217		5,219
Supervision and Management:					
- general		2,895		2,554	
- special services		997	3,892	844	3,398
Increased provision for bad debts			334		370
Depreciation & Impairments of Fixed Assets					
- On dwellings	3	12,005		11,348	
- On garages	3	568		148	
- On other Assets	3	44		52	
			12,617		11,548
Total Expenditure			<u>22,060</u>		<u>20,535</u>
Net Cost Of Services per Income & Expenditure Account			<u>(4,197)</u>		<u>(5,140)</u>
HRA Services share of Corporate and Democratic Core			321		321
Net Cost Of HRA Services			<u>(3,876)</u>		<u>(4,819)</u>
(Gain)/Loss on sale of HRA fixed assets			4,759		5,108
Interest Payable			3,672		3,673
Interest:					
- on balances		(110)		(75)	
- on mortgages		(55)	(165)	(60)	(135)
(Surplus)/Deficit for the Year on HRA services			<u>4,390</u>		<u>3,827</u>

Statement of Movement on the HRA Balances

	2018/2019 £000	2017/2018 £000
Balance on HRA at the end of previous year	(17,951)	(23,170)
(Surplus)/ Deficit for year on HRA Income and Expenditure Account	4,390	3,827
Adjustments between accounting basis and funding basis under statute	(6)	1,392
Net (increase)/decrease before transfers to/ from reserves	4,384	5,219
Transfer to/ from reserves	0	0
Net (increase)/decrease in year on HRA	4,384	5,219
Balance on HRA at the end of current year	(13,567)	(17,951)

Note to Statement of Movement on the HRA Balances

	2018/2019 £000	2017/2018 £000
Items included in the HRA Income and Expenditure Account but excluded from the movement on HRA balance for the year		
Gain/(Loss) on sale of HRA fixed assets	(4,759)	(5,108)
Items not included in the HRA Income and Expenditure Account but included from the movement on HRA balance for the year		
Transfer to/from Major Repairs Reserve note 5	0	0
Transfer to/from Pension Reserve note 6	(263)	(263)
Transfer to/from Capital Adjustment Account	(464)	
Transfer to/from accumulated absences	(6)	1
Revenue Contributions to Capital Expenditure	5,486	6,762
Net Additional amount required by statute to be credited to the HRA balance for the year	(6)	1,392

Housing Revenue Account Notes

1 Housing Stock

	31 March 2019	31 March 2018
Houses and Bungalows		
- 1 bedroom	278	278
- 2 bedrooms	1,439	1,417
- 3 bedrooms	1,714	1,727
- 4+ bedrooms	132	135
Flats		
- 1 bedroom	947	915
- 2 bedrooms	734	683
- 3+ bedrooms	65	66
Total dwellings as at 31 March	5,309	5,221

The Council sold 32 houses during 2018/2019 under the right to buy scheme (RTB). The Council received a total before pooling of £3.315 million as capital receipts. The Council has also built an additional 120 houses as part of its the Council House Build Programme in 2018/2019. The overall net increase in council houses since 2017/2018 is therefore 88.

The figures above do not include the PFI housing units recently brought on stream, these are classified as general fund funding, and so are not part of the HRA. Further information on these PFI dwellings is found in the PFI note.

The year end position regarding arrears owed to the HRA was:

	31 March 2019 £000	31 March 2018 £000
Rent arrears	1,698	1,420
less rent payments in advance	(583)	(535)
less bad debt provision	(1,556)	(1,349)
Net arrears position	(441)	(464)

3 Movement of Housing Revenue Account Assets

	Council Dwellings (Structures) £000	Council Dwellings (Services) £000	Council Dwellings (Land) £000	Other Property (Garages) £000	Other Equipment £000	Total £000
Net Book Value 1 April 2018	166,650	32,250	102,381	3,120	44	304,445
Additions in Year	5,485	5,974	3,424	0	0	14,883
Disposals	(1,987)	0	(1,428)	0	0	(3,415)
Revaluations	(5,486)	(1,064)	(3,325)	0	0	(9,875)
Depreciation	(5,553)	(6,450)	0	(570)	(44)	(12,617)
Category Adjustments	8,821	1,862	727	0	0	11,410
Balance at 31 March 2019	167,930	32,572	101,779	2,550	0	304,831

The Balance Sheet value of Council Dwellings (structures, services and land) as at 31 March 2019 was £302.281 million. This represents the valuation at existing use for social housing which is the value of the properties with a secured tenant continuing to live in the property paying social rents rather than market rents.

The Vacant Possession value (open market) of the properties at 31 March 2019 was £863.660 million. This represents the value of the houses if the property were sold without a secured tenant continuing in the property. Therefore it could be rented out at market rent so has a higher value. This figure has been discounted by a factor of 35% to get the Existing use value - social housing.

The difference between the Vacant Possession value and the Balance Sheet value of dwellings within the HRA shows the Economic Cost of providing Council Housing at less than open market rents. The Economic Cost of the properties at 31 March 2019 was £561.379 million.

4 Financing of HRA capital expenditure

	2018/2019 £000
Revenue and Reserves	5,486
Other receipts (MRR)	9,013
	14,499
Council Dwellings (Structures and Services)	8,991
Plant & Equipment	0
Asset under Construction	5,508
	14,499

5 Major Repairs Reserve

	2018/2019 £000	2017/2018 £000
Brought forward at 1 April	(1,599)	(1,182)
Transfer to Capital	9,013	11,131
HRA Depreciation	(12,153)	(11,548)
Transfer to HRA	0	0
Carried forward at 31 March	(4,739)	(1,599)

6 Contribution to Pension Reserve

The HRA bears a share of the pension contribution due to the IAS 19 adjustment in proportion to the payments made during the year. See note 61 to the Core Financial Statements for more information on accounting for retirement benefits.

Collection Fund

The Collection Fund is a statutory fund. It covers Council Tax and Non-Domestic Rate collection and the precepts of Wiltshire Council, the Office of the Police and Crime Commissioner for Wiltshire and Swindon (Police), Wiltshire Fire and Rescue Service (Fire) and Parish Councils.

	NOTE	Non-Domestic Rates 2018/2019	Council Tax 2018/2019	Total 2018/2019 £000	Non-Domestic Rates 2017/2018	Council Tax 2017/2018	Total 2017/2018 £000
Income							
Council Tax	1		(328,735)	(328,735)		(304,709)	(304,709)
Non-Domestic Rates		(153,797)		(153,797)	(147,256)		(147,256)
Transferred from General Fund							
Transitional Relief		2,118		2,118	3,234		3,234
		(151,679)	(328,735)	(480,414)	(144,022)	(304,709)	(448,731)
Disbursement							
Precepts and Demands							
- Wiltshire Council		73,240	258,450		71,993	237,304	
- Police			33,302			30,275	
- Fire		1,495	13,283		1,469	12,551	
- Town/ and Parish Councils			19,804			16,954	
- Central Government		74,735			73,463		
				474,309			444,009
Share of surplus/(deficit) on Collection Fund							
- Wiltshire Council		(1,249)	5,506		3,068	2,530	
- Police			702			332	
- Fire		(25)	291		63	138	
- Central Government		(1,275)			3,130		
				3,950			9,261
Cost of collection allowance							
Provision for Bad Debts	2	621			622		
Write offs		(215)	276		67	41	
Appeals		627	724		988	828	
Other transfers to general fund		164			(159)		
Interest on overpayments		1,623			2,372		
		0			0		
				3,820			4,759
Fund surplus/(deficit) for the year		1,938	(3,603)	(1,665)	(13,054)	3,755	(9,299)
		151,679	328,735	480,414	144,022	304,708	448,730
Fund balance							
		Non-Domestic Rates	Council Tax	Total	Non-Domestic Rates	Council Tax	Total
Fund balance b/f		8,220	(7,576)	644	(4,834)	(3,821)	(8,655)
(Surplus)/deficit for year		(1,938)	3,603	1,665	13,054	(3,755)	9,299
Fund balance c/f	3	6,282	(3,973)	2,309	8,220	(7,576)	644

Notes to the Collection Fund

1 Council Tax

Council Tax is charged according to the Government's valuation of residential properties as at 1 April 1991. Valuations are stratified into eight bands for charging purposes. Individual charges are calculated by estimating the total amount of income required by the Collection Fund's preceptors and dividing this by the Council Tax base. The tax base is the total number of chargeable properties in all valuation bands converted to an equivalent number of band D dwellings, with an allowance made for discounts and exemptions.

The average amount of Council Tax required from a property in any tax band is the band D charge, average for Wiltshire Council was £1,777.93 for 2018/2019 multiplied by the ratio specified for that band. Ratios specified for the bands A to H are as follows:

Band	Ratio	Estimated No. of Taxable Properties after discounts	2018/2019 Band D Equivalent Dwellings	2017/2018 Band D Equivalent Dwellings
Band A Disabled	5/9	30	17	15
Band A	6/9	15,097	10,064	9,890
		15,127	10,081	9,905
Band B	7/9	29,661	23,069	22,786
Band C	8/9	42,974	38,199	37,722
Band D	9/9	32,770	32,770	32,217
Band E	11/9	25,745	31,466	30,976
Band F	13/9	15,807	22,832	22,556
Band G	15/9	10,078	16,797	16,619
Band H	18/9	1,152	2,305	2,280
			177,519	175,061
Adjustment for MOD contribution in lieu, new properties, & collection rate			5,186	2,744
Council Tax Base			182,705	177,805

2 National Non-Domestic Rates

The total non-domestic rateable value at 31 March 2019 was £387,042,044 (£384,427,006 at 31 March 2018). The national non domestic multiplier for the year was 49.3p (47.9p in 2017/2018) and the small business rates relief multiplier was 48.0p (46.6p in 2017/2018).

3 Collection Fund Balance

The Council has to record transactions for Council Tax and Non-Domestic Rates in the Collection Fund Account. The balance, as usable income, will be paid to the Council and its major preceptors in future years.

	Non-domestic			Non-domestic		
	Rates 31/03/2019 £000	Council Tax 31/03/2019 £000	Total 31/03/2019 £000	Rates 31/03/2018 £000	Council Tax 31/03/2018 £000	Total 31/03/2018 £000
Wiltshire Council	3,078	(3,389)	(311)	4,028	(6,418)	(2,390)
Police	0	(410)	(410)	0	(824)	(824)
Fire	63	(174)	(111)	82	(334)	(252)
Central Government	3,141	0	3,141	4,110	0	4,110
	6,282	(3,973)	2,309	8,220	(7,576)	644

Glossary

For the purposes of compiling the Statement of Accounts, the following definitions have been adopted and may be useful to the reader in understanding terminology used in the statement.

Accruals

The recognition of income and expenditure as it falls due, not when cash is received or paid.

Amortisation

The writing down of the value of intangible fixed assets in line with its programmed useful life.

Assets

These can be either:

- **Intangible assets** – assets which are non-physical in form, that is, which cannot be seen. Examples are patents, goodwill, trademarks and copyrights;
- **Property plant and Equipment (PPE) assets** – tangible assets that give benefits to the Council for more than one year;
- **Community assets** – assets without determinate life that the Council intends to hold in perpetuity. They may have restrictions on their disposal. Examples include parks and historic buildings;
- **Infrastructure assets** – inalienable fixed assets such as highways and footways;
- **Non-operational assets** – fixed assets not directly used for service provision. Examples include surplus land and buildings awaiting sale or further development.
- **Heritage assets** – Assets held solely for historical, artistic, scientific, technological, geophysical or environmental qualities.

Balance Sheet

A summary of all the assets, liabilities, funds, reserves etc.

Best Value

The Council duty to provide effective and efficient services based on community need and desire.

Budget

The Council's financial plans for the year. Both capital and revenue budgets are prepared and, amongst other things, used as performance measures.

Capital Expenditure

Substantial expenditure producing benefit to the Council for more than one year.

Capital Receipts

The proceeds of the disposal of assets, non-approved investments and the repayment of grants made by the Council.

Cashflow Statement

A summary of the inflows and outflows of cash with third parties for revenue and capital purposes.

CIPFA

The Chartered Institute of Public Finance and Accountancy. This is the institute of professional local government accountants and produces standards and codes of practice followed in the production of a Council's accounts.

Code of Practice

Issued by CIPFA, this is a code of proper accounting practice with which Local Authorities in England and Wales must comply in preparing their financial statements.

Comprehensive Income and Expenditure Statement (CI&ES)

This account shows expenditure on and income from the Council's day to day activities. Expenditure includes salaries, wages, service and depreciation charges. It gives the cost of the main services provided by the Council.

Creditors

Money owed by the Council to others.

Debtors

Money owed to the Council by others.

Dedicated Schools Grant (DSG)

A central government grant paid to the council for the use for expenditure on schools.

Depreciation

The writing down of the value of tangible fixed assets in line with its programmed useful life.

Employee Costs

Pay and associated costs such as national insurance, pension contributions etc.

Exceptional Items

Items that, although usual to the activities of the Council, by their nature need separate disclosure because of their unusual size or incidence.

Extraordinary Items

Material items needing separate disclosure because they are unusual to the activities of the Council by their nature.

General Fund

The main revenue fund of the Council which shows income from and expenditure on the Council's day to day activities. It excludes the provision of housing which must be charged to a separate Housing Revenue Account.

Government Grants

The amounts of money the Council receives from the Government and inter-government agencies to help fund both general and specific activities.

Government Grants Deferred

Capital grants which are credited to the balance sheet and amortised to revenue over the life of the relevant asset to offset provisions made for depreciation.

Gross Expenditure

Expenditure before deducting any related income.

Housing Revenue Account (HRA)

The account which sets out the expenditure and income on the provision of housing. Other services are charged to the General Fund.

Impairment

A reduction in the value of a fixed asset below its carrying amount on the Balance Sheet.

IFRSs

International Financial Reporting Standards issued by the Accounting Standards Board requiring information to be shown in accounts.

Leases

These may be finance leases that transfer the risks and rewards of ownership of an asset to the Council. Alternatively, they may be operating leases that are more akin to a hire agreement.

Liabilities

Amounts the Council either owes or anticipates owing to others, whether they are due for immediate payment or not.

Long Term Contracts

A contract that, once entered into, will take longer than the current period of account to complete.

Minimum Revenue Provision (MRP)

Statute requires revenue accounts to be charged with a Prudent Minimum Revenue Provision as a notional redemption cost of all external loans.

Major Repairs Allowance (MRA)

Funded by Central Government. It represents the long term average amount of capital spending required to maintain a Council's housing stock in its current condition.

Net Expenditure

Gross expenditure less directly related income.

Non-Domestic Rates (NDR)

Wiltshire Council collects Non-Domestic Rates from local businesses and organisations. The income is then distributed between Wiltshire Council, Central Government and Wiltshire & Swindon Fire Authority in line with the relevant statutory and accounting guidelines.

Precept

The amount of income demanded of the Collection Fund by an authority entitled to that income.

Preceptor

An authority entitled to demand money of the Collection Fund. The preceptors on Wiltshire Council's Collection Fund are the Council itself, the Office of the Police and Crime Commissioner for Wiltshire and Swindon, Wiltshire Fire and Rescue Service and Parish and Town Councils.

Private Financing Initiative (PFI)

A long-term contractual public private partnership under which the private sector takes on the risks associated with the delivery of public services in exchange for payments tied to standards of performance.

Provision for Credit Liabilities (PCL)

Statute requires the Council to set aside provision to repay external loans and other credit transactions. Debt-free authorities do not have to apply the whole of the balance shown within the Capital Financing Reserve.

Provisions

Amounts held in reserve against specific potential liabilities or losses where there is uncertainty as to amounts and/or due dates. Payment to a provision is counted as service expenditure.

Rateable Value

Assessment by the Inland Revenue of a property's value from which rates payable are calculated.

Reserves

Amounts prudently held to cover potential liabilities. Payments to reserves are not counted as service expenditure.

Revaluation Reserve

A capital reserve where changes in the value of fixed assets are disclosed when they are revalued. This reserve replaces the Fixed Asset Restatement Account (FARA) which was previously required.

Revenue Expenditure

Day to day running costs of services.

Revenue Income

Day to day income received for services.

Revenue Support Grant

A Government grant paid towards the cost of General Fund services.

Running Expenses

The cost of running a service less employee expenses and capital charges.

Usable Capital Receipts Reserve

This reserve holds the amounts of capital receipts derived from the disposal of fixed assets until such a time that they are used to finance capital expenditure.

Useful Life

The anticipated period that an asset will continue to be of benefit.

Value Added Tax (VAT)

An indirect tax levied on vatiable goods and services.

INFORMATION GOVERNANCE SENIOR INFORMATION RISK OWNER ANNUAL REPORT APRIL 2018 – MARCH 2019

1. Purpose

This report provides an overview of the current Information Governance status including compliance with key standards and a report on data incidents. It ensures that CLT and Cabinet are advised of the most significant current and emerging Information Governance issues and the measures being taken by the Authority to ensure it meets the national and mandatory standards.

Specifically, this report will:

- ▶ Provide an update relating to the responsibilities of the Council's Senior Information Risk Owner (SIRO).
- ▶ Outlines activity and performance related to information governance during the 2018/2019 financial year
- ▶ Documents organisational compliance with the legislative and regulatory requirements relating to the handling of information and provide assurance of ongoing improvement in relation to managing risks to information. This includes:
 - ▶ the General Data Protection Regulation 2016 (EU Regulation 2016/679)
 - ▶ Data Protection Act 2018
 - ▶ the Freedom of Information Act 2000
 - ▶ the Information Security Standard ISO/IEC 27002:2007
 - ▶ Data Security and Protection Toolkit
- ▶ Detail any Serious Incidents Requiring Investigation (SIRI) within the preceding twelve months, relating to any losses of personal data or breaches of confidentiality.

It also asks the reader to reflect and consider the real risks and challenges being presented to this organisation daily. Good information governance must be embedded as part of the Council's culture and only the understanding and engagement from managers, staff and elected members will achieve this.

ICT security and cyber risks present a real and increasing threat to all organisations and is not something that can drop down the priority list. The ability to deliver services depends on the ability to have safe systems and reliable information.

2. Introduction

It is the role of the SIRO to be responsible for and take ownership of, the Council’s information risk processes together with advocating at the appropriate Board level, for the reduction of information risk by ensuring effective use of resource, commitment and appropriate communication to all staff, managers and elected members.

By working alongside the Cabinet, Corporate Leadership Team, the Information Governance Team, ICT and other key stakeholders, the SIRO aims to create a culture in which information is valued as an asset and information risk is managed in a realistic and effective manner.

Information Governance relates to all information in whatever medium it is held. However, as the Council embraces digital ways of collecting and managing information, it is important to ensure that there is robust governance in place so that the Council remains compliant, legal and that progress and achievements are not undermined or damaged by poor IG practices.

Diagram of SIRO Relationships with officers across the Council



It is vital that the SIRO engages with the above stakeholders across the Council, to ensure a “golden thread” of good Information Governance combined with the corporate oversight.

3. Physical Records Storage

The contract with Iron Mountain has now been running since 2017 and teams have fully engaged with the IM Connect web portal when requesting or returning files from the storage facility in Kemble. As referred to in the last report, records are delivered to and collected from service teams’ areas within the hubs, ensuring a secure chain of custody is maintained.

The IG team continues to monitor the activity and associated costs in maintaining the volume of physical storage. The current position is that we have 33,612 boxes in storage which equates to 38,901.49 cubic feet. We are charged £0.15 per cubic foot. There has been no significant change in storage capacity from last year when the figure was 38,918.15.

It is important that services actively review their storage requirements and ensure that if the information can be stored electronically; is no longer current, relevant or not required for statutory reasons, that they take steps to arrange for the destruction of those records.

Part of the ongoing work for the IG team will be to work with services to define both their ongoing storage requirements and the need to continue to produce paper. The less the council can do of both supports the drive to migrate paper-based processes on line set out in the council's digital strategy and will contribute to cost savings over time.

4. Requests Under Freedom of Information and Environmental Information Regulations

The table below shows the number of FOI and EIR requests received by the Council for 2018/2019. In comparison to last year, the total has increased by 21% from 1,495 in 2017/2018.

FOI and EIR requests 2018/19	Number of requests received	% of responses within 20 working days	Number of requests where information was granted	Number of requests where information was refused	Number of internal reviews	Number of complaints to the ICO
Apr	155	99%	117	43	0	0
May	161	95%	120	33	5	0
Jun	148	99%	126	26	0	0
Jul	165	98%	119	19	1	1
Aug	153	98%	108	10	5	0
Sep	143	98%	95	20	3	0
Oct	148	99%	101	36	8	1
Nov	154	98%	108	40	1	1
Dec	80	95%	59	16	2	2
Jan	188	99%	125	48	0	0
Feb	145	99%	110	44	5	0
Mar	178	99%	121	57	3	0
Total	1818	98%	1309	392	33	5

Of the total 1,818 requests received, 98% were responded to within the legal compliance time of 20 working days compared to 97% in the previous reporting period.

The data shown in Table 1 below shows, by service team, the number of requests received. The second table shows the percentage of those requests that were dealt with within the 20-working day statutory timescale.

Table 1 - Number of FOI requests

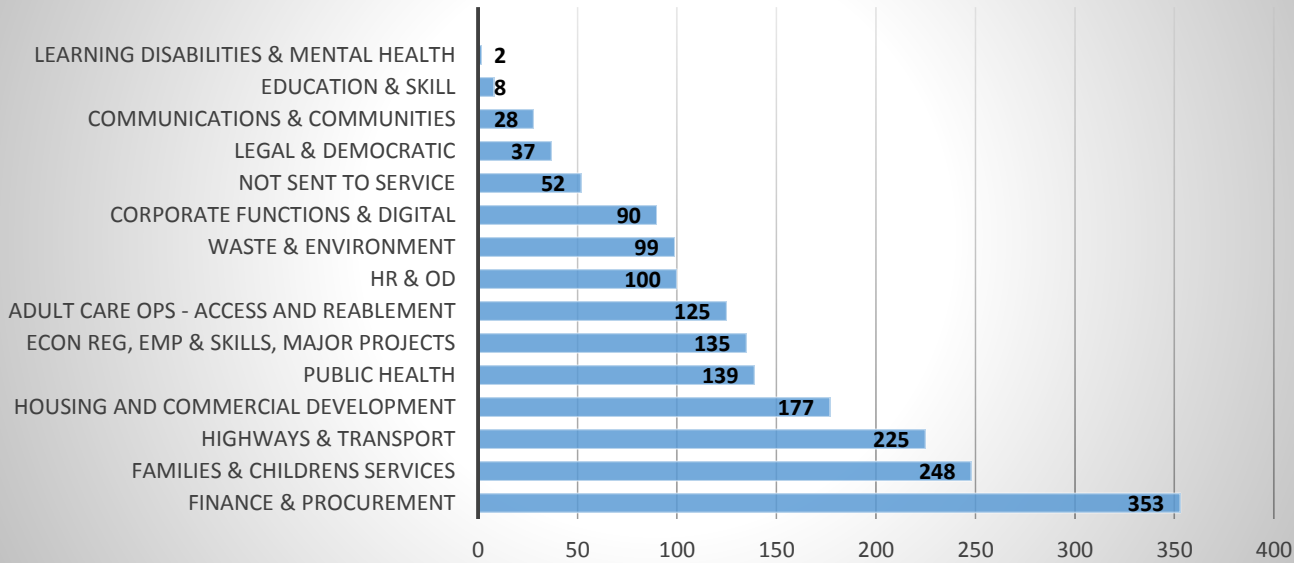
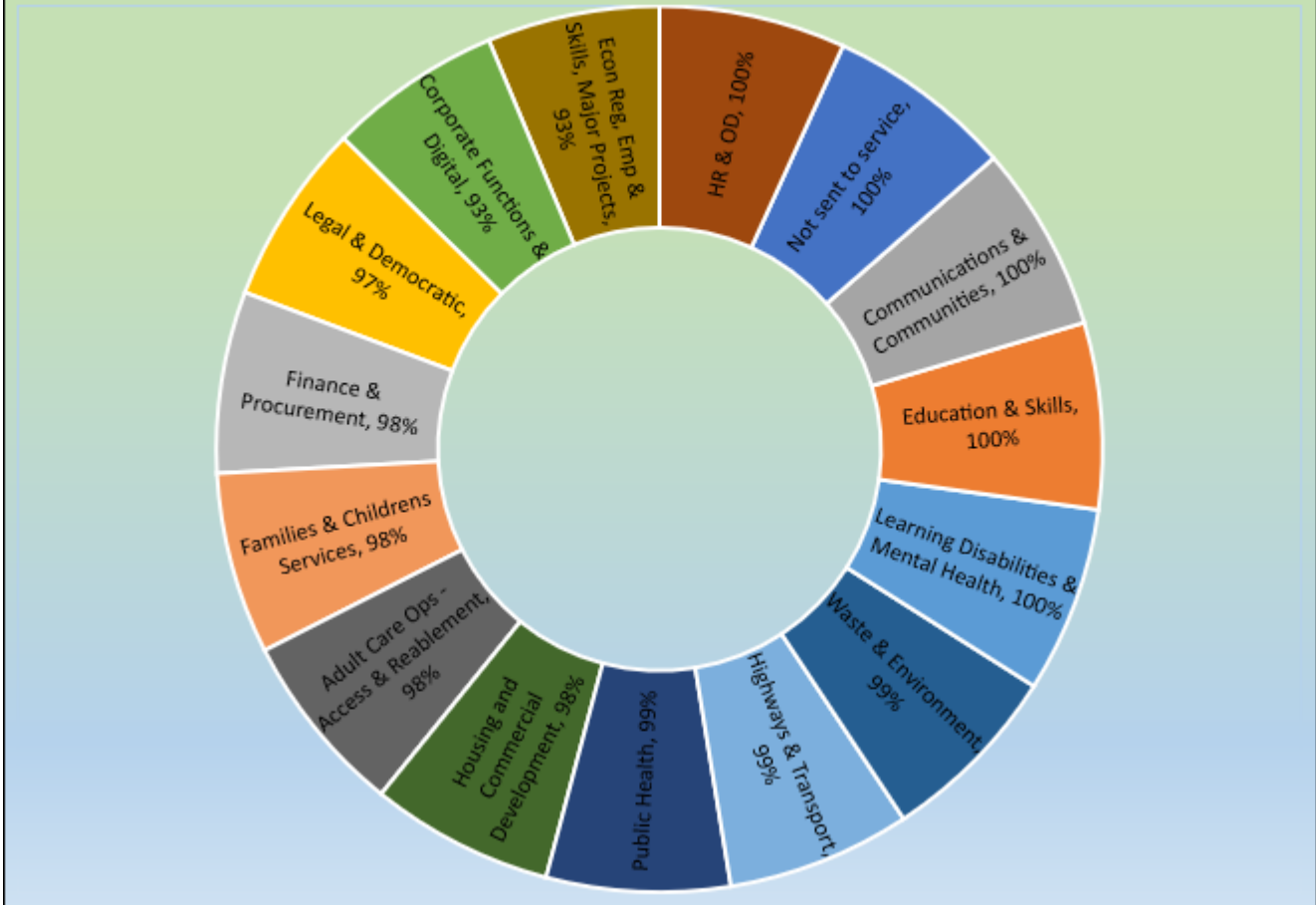


Table 2 - Percentage of Requests responded to within 20 working days



In terms of identifiable patterns or trends, there is nothing significant. The nature and number of requests are spread out across the organisation. Those service teams dealing with high numbers of requests are ones where we would expect there to be a high level of demand for information.

5. Publication of Information

Following on from the work undertaken during the previous reporting period, information over and above that defined by the publication scheme and the Local Government Transparency Code, has been progressively added to the council website.

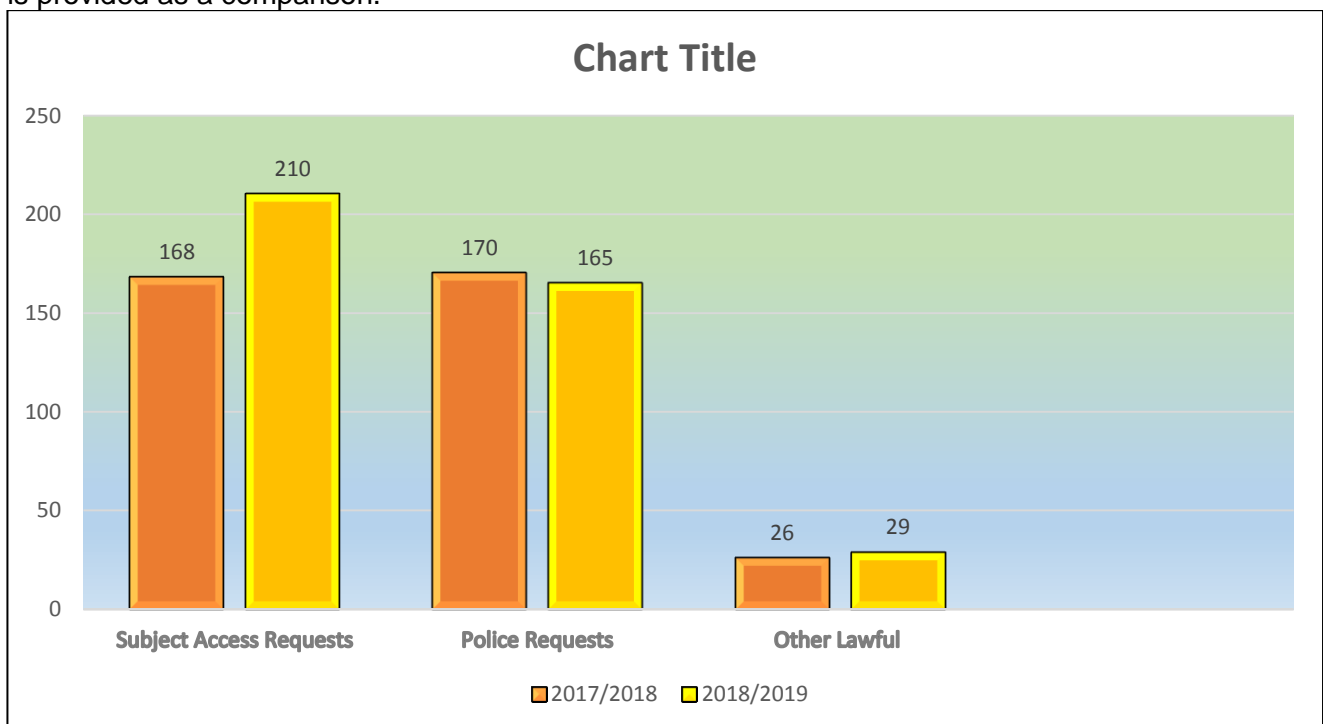
The FOI pages contain a list of standard responses to some of the most frequently submitted requests meaning that Service Areas no longer need to deal with a proportion of requests as the IG team can signpost requestors to the FAQ's which satisfies the legislation.

Work is underway with Services which receive repeat requests for the same or similar information, (e.g. Revenues and Benefits in respect of business rates), to pro-actively publish bulk information on a regular basis removing the need to respond to individual requests as they are received. This type of publication aims to reduce the pressure on Services involved in the recording and processing of requests for information.

A disclosure log has also been added to the website which lists all FOI requests received during the preceding two years. Copies of previous responses can be provided with no recourse to Service Areas and minimal redaction work on the part of the IG team further reducing the resource demands placed on Services.

6. Data Protection / Subject Access Requests

The following table shows the number of Subject Access Requests made under Data Protection legislation, which were received by the Council for the reporting year. The previous year of 2017/2018 is provided as a comparison.



In respect to the numbers of data subjects making access requests for personal data held about them, there is a slight upward trend. This might have been affected by wider public awareness caused by the saturation publicity around April-May 2018 to provide information about the implementation of GDPR on 25th May.

There is no significant change in the numbers of police requests or those from organisations such as regulatory professional bodies or the DBS.

7. Internal Reviews, Self-referrals & complaints raised to the Information Commissioner's Office

In the reporting period 5 self-referrals have been made to the Information Commissioner's Office (ICO) of suspected serious breaches of personal data. One referral was withdrawn once the ICO was satisfied there was no evidence of privacy being compromised.

Of the 4 remaining, three have been closed by the ICO with no further action as we were able to demonstrate the mitigating actions we put in place and that the root cause was human error and one remains open at the time of writing this report.

In the reporting period, the Council's Data Protection Officer has received four letters of concern from the ICO where data subjects have referred their dissatisfaction with our service for them to investigate. The ICO has been satisfied with our compliance in each case.

The IG team has redesigned the reporting process and recording methodology. The team also amended the triage process to consider and assess the severity of reported incidents at the earliest stage and is working with the SIRO and the Corporate Leadership to refine the referral process and ensure the approach is consistent.

8. Changes to legislation during reporting period

Since the last report was published, the full implementation of the General Data Protection Regulation (EU)2016 and the UK Data Protection Act 2018 has taken place. The IG team has invested a significant amount of time and effort implementing the new regulations and although there are areas that still require attention to meet full compliance which may be seen as 'risks' we are aware of them and have the structure and resource to address them in this current year.

A recent audit undertaken by SWAP concluded that significant work appears to have been undertaken by the Information Governance Team and individual service areas in relation to General Data Protection Regulation (GDPR) compliance. This is contributing, actively working towards ensuring compliance and raising the awareness of staff across the Council. It is however recognised that the work required for compliance is a constantly evolving target and services will need to adapt as the interpretation of the legislation continues to develop.

The audit has made two recommendations for improvement, the first addressing inconsistency in the availability and the second about staff having access difficulties to enable completion of the compulsory e-learning training modules. The later has been rectified since the audit was completed.

Below are some of the areas of GDPR compliance we have worked on and will continue to review going forward.



9. Data Security and Protection Toolkit

In this reporting period, the Information Governance Toolkit changed into the Data Security and Protection Toolkit. Organisations such as Wiltshire Council, that process and share NHS patient data and systems are required to satisfy the online self-assessment tool that good data security monitoring is in place and that personal information is handled correctly. Performance will be measured against the National Data Guardian's 10 data security standards.

The 10 data security standards are: -

Standard	Description
Personal Confidential Data	All staff ensure that personal confidential data is handled, stored and transmitted securely, whether in electronic or paper form. Personal confidential data is only shared for lawful and appropriate purposes.
Staff Responsibilities	All staff understand their responsibilities, including their obligation to handle information responsibly and their personal accountability for deliberate or avoidable breaches.
Training	All staff complete appropriate annual data security training and pass a mandatory test, provided linked to the revised IG toolkit.
Managing Data Access	Personal confidential data is only accessible to staff who need it for their current role and access is removed as soon as it is no longer required. All access to personal confidential data on IT systems can be attributed to individuals.
Process Reviews	Processes are reviewed at least annually to identify and improve processes which have caused breaches or near misses, or which force staff to use workarounds which compromise data security.
Reporting to Incidents	Cyber-attacks against services are identified and resisted and CareCERT security advice is responded to. Action is taken immediately following a data breach or a near miss, with a report made to senior management within 12 hours of detection.
Continuity Planning	A continuity plan is in place to respond to threats to data security, including significant data breaches or near misses, and it is tested once a year as a minimum, with a report to senior management.
Unsupported Systems	No unsupported operating systems, software or internet browsers are used within the IT estate.
IT Protection	A strategy is in place for protecting IT systems from cyber threats which is based on a proven cyber security framework such as Cyber Essentials. This is reviewed at least annually.
Accountable Suppliers	IT suppliers are held accountable via contracts for protecting the personal confidential data they process and meeting the National Data Guardian's Data Security Standards.

The evidence requirements are much more robust and are aimed at demonstrating that the organisation is taking its responsibility seriously and holding itself accountable.

The Council completed and submitted its annual return for 2018/2019 in March. Notification regarding the successful completion of all standards had not been received at the time of this report being written.

10. Information Security

Awareness of the subject of Information Security has significantly increased over the last year, with the topics of GDPR and cyber security threats receiving intense media coverage. This, and the e-learning rolled out in 2018 has had a positive impact on the desire for good information security knowledge of our colleagues.

The IG Team has used the engagement opportunities this has created to work more closely with areas where information security risks are high, to understand more about how they work and how they can be supported to achieve a good, and consistent level of information security. In those areas especially, but also across the council, Information Security is starting to be something we all do every day, rather than something IG do.

Working more closely with individual teams has allowed the IG team to identify and resolve issues such as unwieldy processes being introduced in the name of information security. Undoubtedly this will be happening across the organisation, so we need to carry on building on those basic foundations, addressing some of the barriers to good information security – such as not having the right software, or being unclear about what information you can share.

The next step is to raise awareness and empower staff about how to spot potential cyber security threats, and how to respond. At the same time, there is a need to keep staff up to date on subjects covered previously – information security is a continuously evolving subject.

It's vital that IG is part of council-wide initiatives like the Digital Programme, not only from an overall governance perspective, but also to feed into how apps are used, and to ensure good information security is embedded into the culture being developed. We need to ensure that new ways of working do not compromise our information security, and to ensure that we also use new ways of working to provide useful and relevant information to our colleagues.

11. Public Services Network (PSN)

PSN testing is carried out every year across the Authority and provides a benchmark of how secure the Council's IT systems are to external interference.

The last tests took place in 2018. Initially, 9 critical issues and 47 high issues were identified, along with several medium and low risks. Work has taken place over the last 12 months and **all** the critical issues have been resolved, as have 45 of the identified highs. Medium issues are down to 15 outstanding.

Work will continue to resolve these remaining 15 and also to address any low issues that were identified.

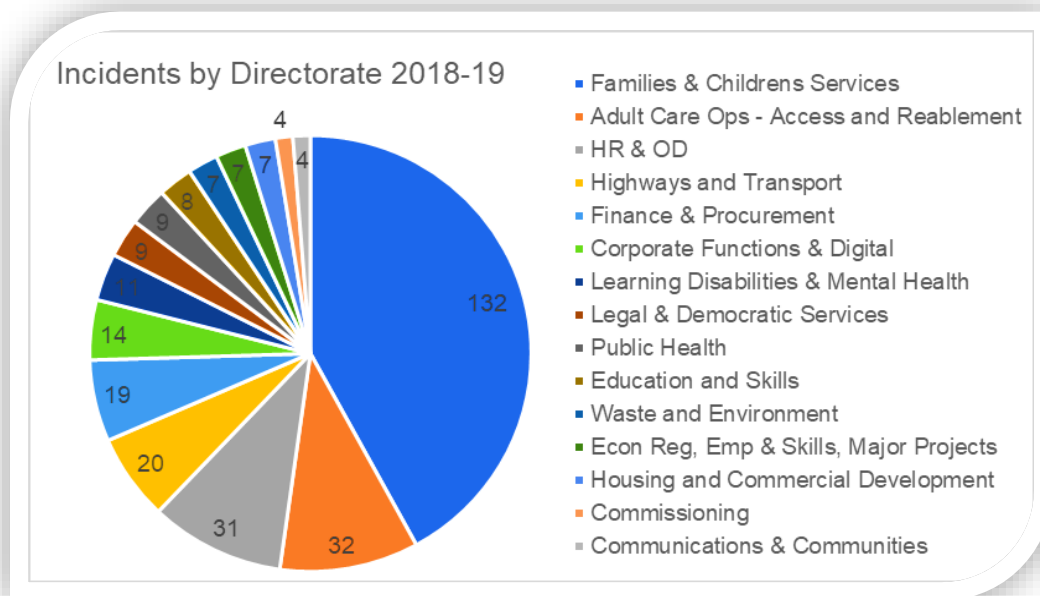
As incidents in South Wiltshire at the start of last year unfolded, Wiltshire become a centre of worldwide attention. This interest was not restricted to the media, but also manifested itself as a

significant increase in activity to break into our systems, causing significant additional work to ensure they remained secure. The National Cyber Security Council and MHCLG supported us to help scan our activities in terms of Cyber security and provide an overview of cyber security arrangements in both the council and Wiltshire police. Reassuringly they stated they were happy with how the incident has been managed.

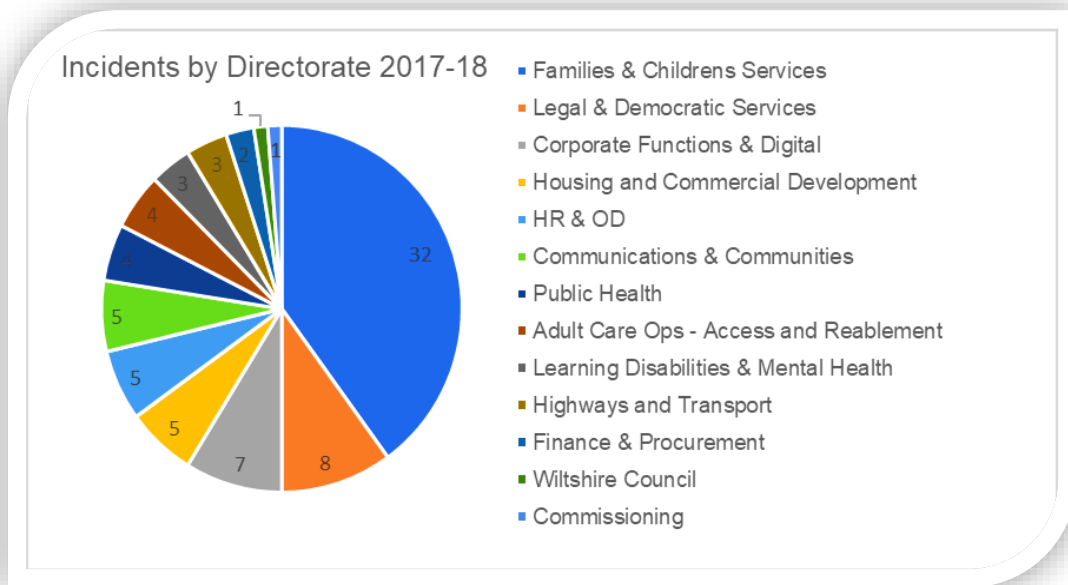
12. Data Incidents

Reported data incidents have significantly increased in the last year, climbing from 83 reports in 2017/2018, to 314 for 2018-19. An increase of 378% might appear as a negative, but in fact this reflects the greater awareness of the need to report which we have achieved this year with the e-learning and other engagement sessions.

This table shows the number of reported Incidents by Directorate area. Figures can be broken down to report on individual teams or service areas, which allows the IG Team to work closely with our people to help identify areas where information security needs to be improved – whether it’s a need for further training, or a process which needs to be revised.

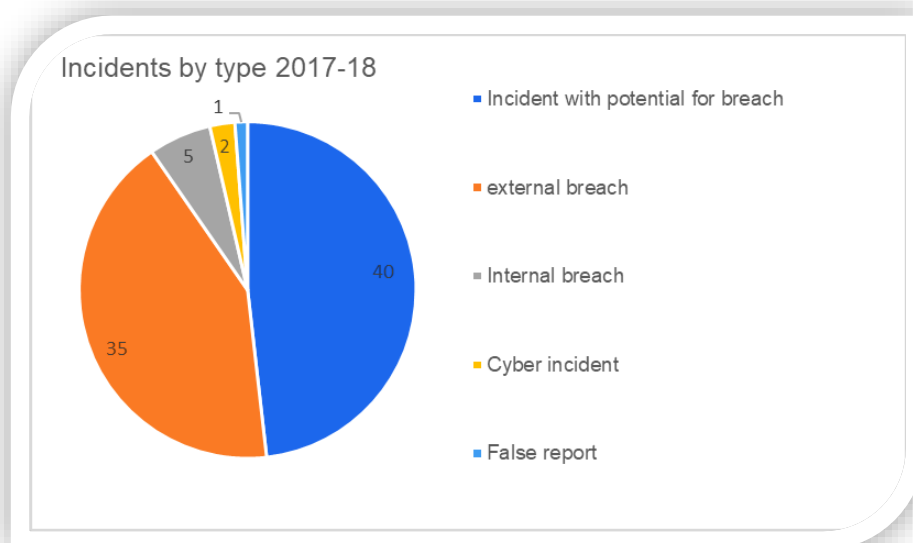


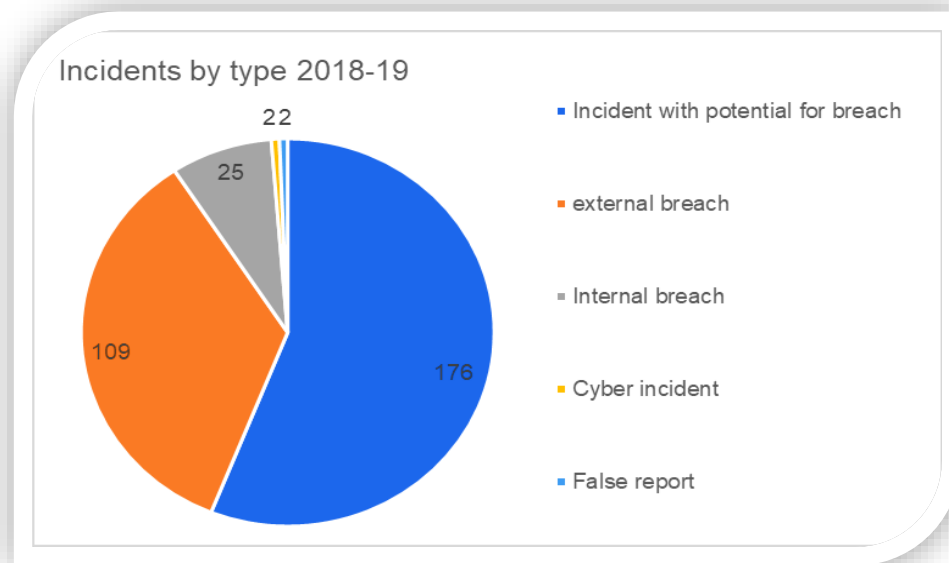
As a comparison, the previous year is included below.



During this reporting period, the way incidents are reviewed and classified, making it much easier to provide detailed information, including details like data sensitivity, and number of data subjects. The revised outcomes mean we can now identify how many incidents were “incidents with potential for inappropriate disclosure”, where no personally identifiable data was affected, as opposed to internal or external breaches where information has been shared inappropriately. We have revised our figures for 2017-18 to allow for meaningful comparison.

The following tables for Incidents by type for 2017-18 and 2018-19 show that, despite the increase in reported incidents, the split of incident types across the total is very similar. Most of the reports are for incidents with a potential for inappropriate disclosure – for this year these are made up of “information being shared to the wrong person” and “information being sent non-securely”.





The email address book including police staff and council staff in one list is a factor in information being shared to the wrong person, and we are considering whether it is feasible for the two organisations to have separate address books. The removal of GCSX and changes to secure email mean there is much less requirement for colleagues to apply additional protection to our information when they share it, and so we should see a reduction in information being shared non-securely in the next reporting period.

Liaising with colleagues about hundreds of incidents has given us a great opportunity to understand what the root cause of an incident is. We can move away from the “human error” and start to address the behaviours and root causes to improve our information security. Our incidents often happen when people work on more than one thing at a time; another factor which is on the increase is colleagues not always having the right tools for the job they are doing. Whilst it is simple to supply the software, changing colleagues’ perception that everything is time-pressured is a bigger challenge, and one that will require buy-in from all levels of management.

The breakdown of incidents by directorate for 2018-19 provides an overview of the volume and level of incident reported by each area. The improved reporting will be used to work with Families and Children’s Services to reduce the volume, especially of external breaches. The following table provides a full list of reported incidents, broken down by directorate and outcome. The monitoring and reporting of cyber security incidents (where we are targeted) is being reviewed as whilst the number and might look like a positive, by their very nature, incredibly hard, to identify. In our collaboration with Microsoft via our Digital Transformation programme and the adoption of the ICT Strategy, there is significant work being undertaken to mitigate and where reasonable to eliminate risks. It should also be noted that teams like Payroll are very proactive in spotting and reporting phishing emails.

Incidents by Directorate 2018-2019	Total	% of Total
Adult Care Ops - Access and Reablement	32	10%
external breach	6	
False report	1	
Incident with potential for breach	23	

Internal breach	1	
Not recorded	1	
Commissioning	4	1%
Incident with potential for breach	3	
Internal breach	1	
Communications & Communities	4	1%
Incident with potential for breach	4	
Corporate Functions & Digital	14	4%
Cyber incident	1	
external breach	2	
Incident with potential for breach	8	
Internal breach	3	
Econ Reg, Emp & Skills, Major Projects	7	2%
external breach	4	
Incident with potential for breach	2	
Internal breach	1	
Education and Skills	8	3%
external breach	2	
Incident with potential for breach	6	
Families & Children Services	132	42%
Cyber incident	1	
external breach	50	
Incident with potential for breach	75	
Internal breach	3	
Not recorded	3	
Finance & Procurement	19	6%
external breach	12	
Incident with potential for breach	6	
Not recorded	1	
Highways and Transport	20	6%
external breach	8	
False report	1	
Incident with potential for breach	7	
Internal breach	4	
Housing and Commercial Development	7	2%
external breach	4	
Incident with potential for breach	2	
Internal breach	1	
HR & OD	31	10%
external breach	9	
Incident with potential for breach	14	
Internal breach	8	
Learning Disabilities & Mental Health	11	4%
external breach	2	
Incident with potential for breach	8	

Internal breach	1	
Legal & Democratic Services	9	3%
external breach	4	
Incident with potential for breach	5	
Public Health	9	3%
external breach	3	
Incident with potential for breach	6	
Waste and Environment	7	2%
external breach	3	
Incident with potential for breach	2	
Internal breach	1	
Not recorded	1	
Grand Total	314	

The 83 incidents reported in 2017-18 are broken down as follows:

Reported incidents 2017-18	Total	% of Total
Cyber incident	2	2%
external breach	35	42%
False report	1	1%
Incident with potential for breach	40	48%
Internal breach	5	6%
Grand Total	83	

A recent audit undertaken by SWAP provided reasonable assurance and concluded that most of the areas reviewed were found to be adequately controlled. The report only contained one priority three recommendation for improvement, relating to the review and upgrading of policy documentation

13. E-Learning Programme and Raising Awareness

In the last reporting period, the IG team in collaboration with the HR and Organisational Development Directorate developed and rolled out a set of 4 e-learning modules: Data Protection, Information Security, Freedom of Information and Records Management.

Not only is there a need to raise awareness across the organisation for the purposes of improving understanding in staff., but there is also a requirement from the Information Commissioner's office (ICO) and the Data Security and Protection toolkit, to evidence an education program for staff.

Our most recent IS e-learning module in 2018 has been our biggest vehicle for promoting good information security so far. The topics covered were those identified as most relevant to the bigger picture, and those required for NHS IG toolkit compliance. Guidance was limited to bite-size chunks, but covered subjects from ID badges and door security, to email and acceptable use of systems, which resulted in a lot of information for our end-users to consume in one go. The second iteration of the e-learning will have a stronger emphasis on cyber security. It will also be presented along with face to face offerings and team sessions to meet a variety of learning styles.

This format was duplicated across the other modules and following feedback regarding the content and structure of those modules, we have reviewed and refreshed all 4 modules to consider the comments from staff.

In the next reporting period 2019/2020, we will be rolling the modules out in one go rather spaced over 4 months. We believe this is a more controlled way of monitoring the completion of the modules and we hope will provide staff the opportunity of putting some dedicated time aside, if they can see each of the modules.

This new IG education program will also feature introduction videos explain to staff why the completion of these modules is important. Staff will be encouraged to take responsibility for the way they work with and manage information. It is not a single team responsibility to manage the information of the Council. It is a combined approach that involves direction from the IG team, Corporate Leadership, Senior Management and accountability from the staff, managers and elected members.

Because of the importance of this training, a decision was taken to make the training mandatory with a failure to undertake any of the modules, resulting in laptop access being suspended. This decision was not taken lightly, and it is acknowledged that there is the potential for this to cause problems if members or officers do not comply and undertake the training in a reasonable timeframe, acknowledging that there will always be accepted caveats regarding justifiable reasons that may impact on staff completing the training within the prescribed time period. Whilst this was a decision made in the last reporting period, the reality of trying to apply this in the middle of a major national security incident was not feasible or realistic. There will be a much more focused and transparent approach in the next reporting period.

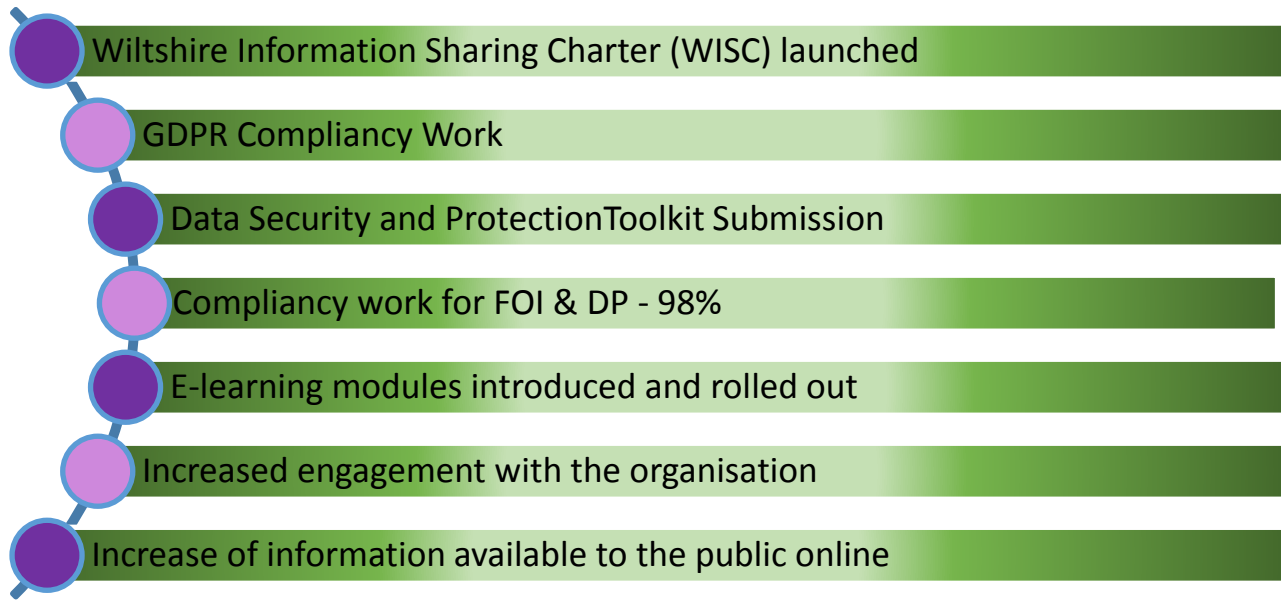
We are also aware that E-learning on its own may not be having the required impact, so we will also be considering other training and information outlets to get the message across on a regular basis. Options such as whether there is a benefit of the subject being incorporated into the induction programme and / or a feature of the leadership and management development programmes so aspiring and developing managers can be made clear about their responsibilities, as well as whether there may be the opportunity to link into appraisals and management meetings will be considered the subject is always on the agenda and not just something everyone has to do once a year.

As already mentioned, the Information Commissioner's office also asks for evidence of staff training, when complaints or investigations are undertaken. They are particularly interested that this has taken place when a data incident has taken place resulted in the breach of information.

Raising awareness levels is a constant process and aims at keeping Information Governance on people's radar. Regular notices are put in the Electric Wire and the Managers Wire. We acknowledge it is not the most 'interesting' of subjects, however understanding information, how it is stored, shared it and knowing when and how to dispose it, is important and is the key asset within this organisation.

14. Key achievements

The work undertaken in the last reporting period has been encouraging and has been achieved with a collaborative and engaging approach. Here are just a few of the key achievements.



It has been a busy but successful year for Information Governance. With the restructure of the Information Governance team now complete, it has provided an opportunity within the team to take stock of where it is and where it wants to get to going forward.

The Digital transformation programme is a key cultural change within the organisation and Information Governance is already part of the conversation and projects that are taking place. Over the next twelve months we will be looking to the Information Governance workstream to support the OD and Change workstream to help ensure staff understand the importance of IG. This will also support the development of the recently restructured IG team with the development of the new service model and how we provide a supportive approach to the organisation in how it governs its information.

Together with the organisational vision, business as usual within the Information Governance arena will include continuing with the compliancy work associated with GDPR, working towards reducing the number of requests for information coming directly into the team through improved availability of information on the Council's website and filtering back to services what can be easily addressed by better understanding of what can be shared with members of the public.

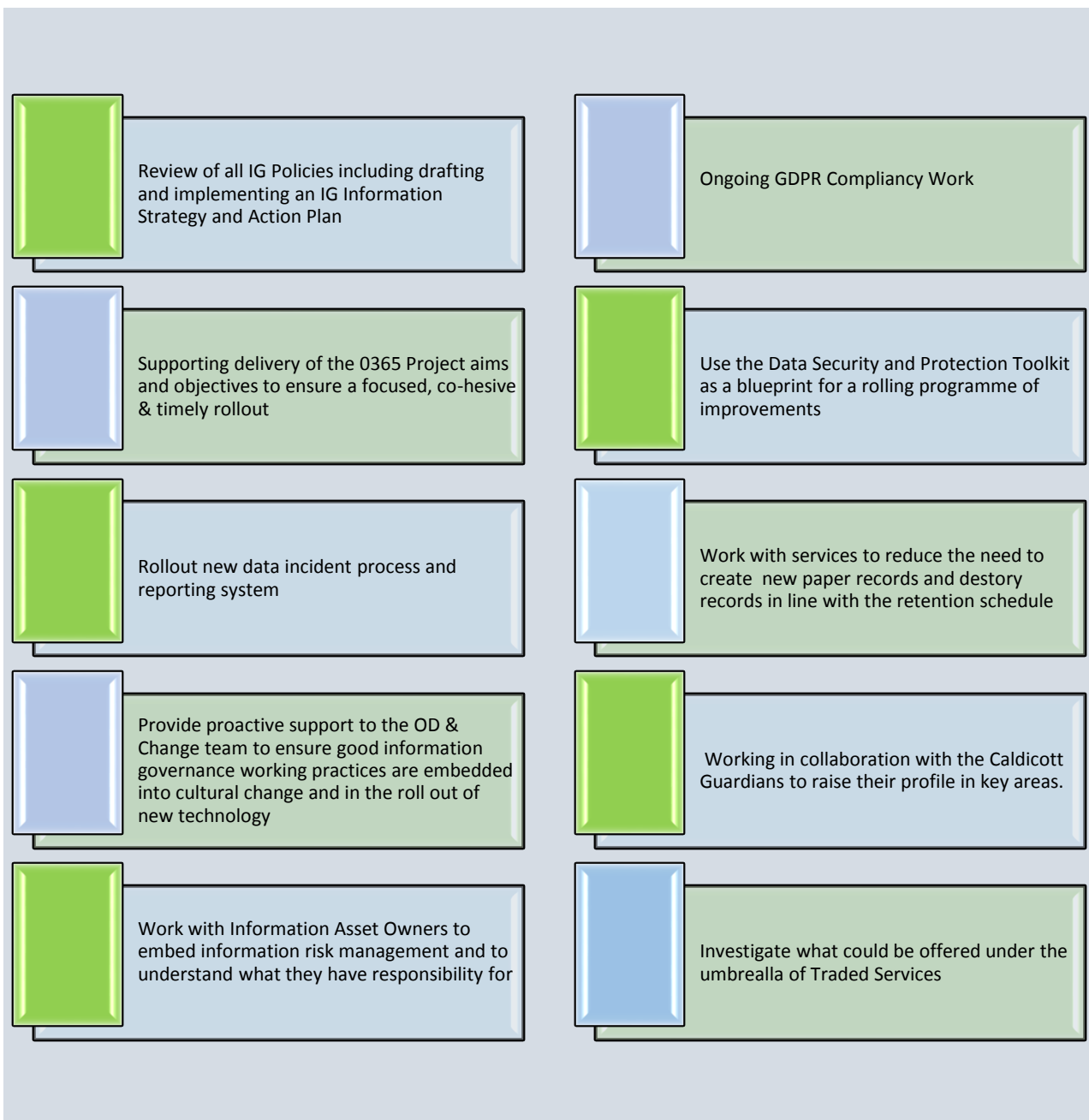
Improving engagement across the organisation and continuing to raise awareness about the importance of Information Governance will be front and centre going forward.

I would also like to thank the IG team in keeping positive in what has been a particularly challenging year. Their advice and guidance has been sought on a regular basis, on a number of subjects and they have done this whilst undergoing a team restructure themselves. They are a professional team and re seeking to engage with the organisation to get the IG message out.

There is much to be done still but I am reassured that the team will meet these demands and contribute to an ever-changing environment in their usual resilient way.

15. Looking Forward

There is a large portfolio of work that Information Governance will be taking forward in the next reporting period. The following priorities are just some of the things on the following programme of work that the IG team will be focusing on.



16. Summary

The term Information Governance refers to a framework that supports legal compliance, transparency and risk management and balances that against the requirements of the organisation to deliver an effective service.

Good Information Governance is about enabling staff to perform their jobs in a way that supports them whilst ensuring they remain compliant, provide the necessary safeguards to protect personal

information, are proactive in storing, managing and eventually destroying information in line with the retention schedule and doing all of that in a secure way.

The key as always remains getting buy in from the organisation. Buy in from the Senior Management to ensure that Information Governance is embedded into the organisation's culture change and ensure that the message is constantly cascaded that information is our asset, is at the centre of all we do and is something entrusted to us by the public.

We also need buy in from the officers and elected members. It is the responsibility of all individuals regardless of role, to ensure they treat information within the boundaries of Wiltshire Council, with the same respect they would expect their own information to be treated. That means being aware when sharing information digitally or working from paper documentation. It is about being accountable for your own actions and seeking advice and guidance when appropriate.

As stated in last year's report, the ongoing cyber security threat to our systems and information remains high. In our collaboration with Microsoft via our Digital Transformation programme and the adoption of the ICT Strategy, there is significant work being undertaken to mitigate and where reasonable to eliminate risks.

This work along with adopting and being proactive with good Information Governance working practices will lead the organisation into effective cultural change.

The benefits of doing this will lead to staff being more confident and empowered in managing information. Doing that leads to the successful delivery of business goals because teams have the right information to focus on the most effective solution to service provision.

As I stated last year, the public trust that we are the guardians of their information and we must provide that reassurance, by having robust and resilient systems and processes in place. Information Governance therefore must be the voice of conscience. So, the IG team will continue to support, advise, challenge and question the working practices of services and will support the OD & Change team to deliver cultural change.

Robin Townsend, Director, Corporate Services and SIRO

Date: 6 June 2019

Report Author: **Sarah Butler, Information Governance Manager**

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Wiltshire Council

Outstanding Internal Audit Recommendations

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Agenda Item 9

Contents

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Internal Audit Definitions

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Recommendation Summary:

Agreed Recommendations

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Analysis of Outstanding Recommendations

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Appendices:

Appendix A – Outstanding Audit Recommendations

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Internal Audit Definitions

Recommendations are prioritised from 1 to 3, based on importance to the service area. These are not necessarily how important they are to the organisation at a corporate level.



Audit Framework Definitions

When making recommendations to Management it is important that they know how important the recommendation is to their service. There should be a clear distinction between how we evaluate the risks identified for the service but scored at a corporate level and the priority assigned to the recommendation. Therefore, recommendations are assessed as to how important they are to the scope of the area audited. Priority 1 recommendations being more important than priority 3. No timeframes have been applied to each Priority as implementation will depend on several factors; however, the definitions below imply the importance.

Categorisation of Recommendations

In addition to the corporate risk assessment it is important that management know how important the recommendation is to their service. Each recommendation has been given a priority rating at service level with the following definitions:

Priority 1	Findings that are fundamental to the integrity of the service's business processes and require the immediate attention of management.
Priority 2	Important findings that need to be resolved by management.
Priority 3	Finding that requires attention.

To assist the Committee in its important monitoring and scrutiny role, in those cases where weaknesses have been identified in service/function review, a summary of outstanding audit recommendation past their agreed date of implementation have been detailed in Appendix 1. These items will remain on this schedule for monitoring by the Committee until the necessary management action is taken and appropriate assurance has been provided that the risks have been mitigated / addressed.

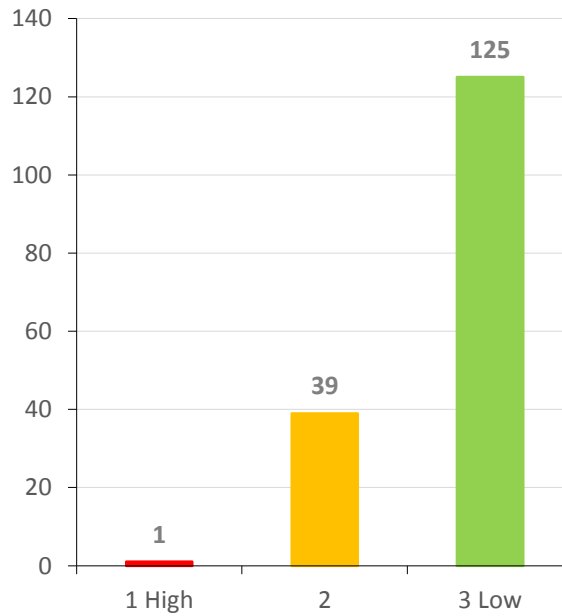
Summary of Recommendations

Summary of agreed Audit Recommendations by Priority

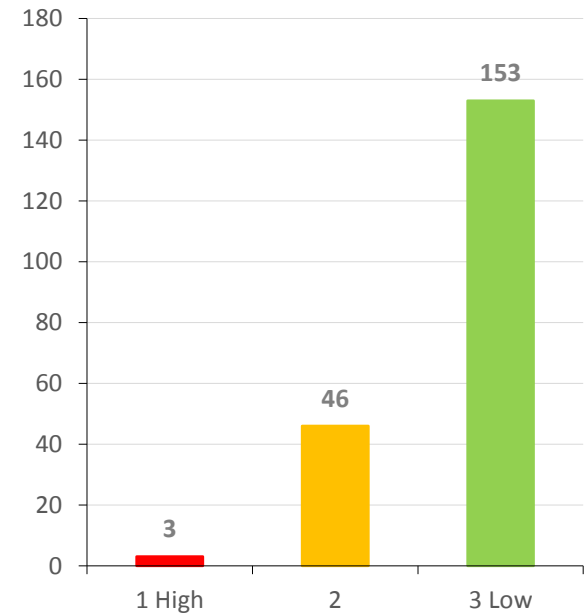


Summary of Recommendations

Audit Recommendations by Priority
Non Schools



Audit Recommendations by Priority
Schools



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Recommendation Analysis

Aged Analysis of Audit Recommendations Exceeding the Agreed Target Implementation Date



Summary of Recommendations

Outstanding Audit Recommendations by Priority 2017/18 and 2018/19 Non Schools

Priority	< 30 Days	< 60 Days	< 90 Days	< 120 Days	120+ Days	Totals
3	0	0	18	0	15	33
2	1	0	3	1	1	6
Totals	1	0	21	1	16	39

Outstanding Audit Recommendations by Priority 2017/18 and 2018/19 Schools

Priority	< 30 Days	< 60 Days	< 90 Days	< 120 Days	120+ Days	Totals
3	2	4	33	0	38	77
2	1	1	1	0	3	6
Totals	3	5	34	0	41	83

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Wiltshire Council Outstanding Recommendations 30.05.19

Non Schools

Data revision date: 30 May 2019

School Effectiveness - Acting Head of Service Jayne Hartnell							
School Liaison & Support Arrangements (Audit Report Issued 31st August 2017)							
Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
36013	We recommend that management consider introducing process indicators to measure and monitor service effectiveness and efficiency to ensure the business strategy is sustainable.	3	Outstanding	31-Oct-17		Head of School Effectiveness	There have been a number of changes to processes and strategies over the last two years in response to changing local and national needs. This evolution continues and a new School Improvement Framework and associated processes are being established and have been consulted on with a range of stakeholders from January 2019. The new Framework will be in place in September 2019 and indicators to monitor effectiveness and efficiency are being developed. Revised target date takes account of the yet to be established framework and the time to review and embed processes.

ICT - Head of Service Steve Vercella							
ICT Business Continuity Planning (Audit Report Issued 14th July 2017)							
Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update

35552	I recommend that in the absence of a live test of the whole Business Continuity Plan, a desk based exercise should be undertaken to verify that the plan is complete and will allow the ICT service to recover in the event of an incident.	3	Outstanding	30-Nov-17		Head of ICT	Budget has now been agreed in the ICT 2019/20 capital budget for review/update of ICT DR plan and agreement of BCP/ICTDR test schedule. This is expected to be undertaken during 2019/20 including the first test. The scope of the test (virtual desk based or physical) will depend on what can be agreed with the business areas. However, it will also need to be agreed with Wiltshire Police as the ICT infrastructure is shared between the two organisations.
Page 145 3553	I recommend that the ICT Disaster Recovery plan is reviewed and updated following the restructure of the Council's ICT service.	2	Outstanding	31-Oct-17		Head of ICT	Budget has now been agreed in the ICT 2019/20 capital budget for review/update of ICT DR plan and agreement of BCP/ICTDR test schedule. This is expected to be undertaken during 2019/20 including the first test. The scope of the test (virtual desk based or physical) will depend on what can be agreed with the business areas. However, it will also need to be agreed with Wiltshire Police as the ICT infrastructure is shared between the two organisations.

35554	I recommend that in the absence of a live test of the whole Disaster Recovery Plan, a desk based exercise should be undertaken to verify that the plan is complete and will allow the ICT service to recover the network in the event of an incident.	2	Outstanding	31-Dec-17		Head of ICT	Budget has now been agreed in the ICT 2019/20 capital budget for review/update of ICT DR plan and agreement of BCP/ICTDR test schedule. This is expected to be undertaken during 2019/20 including the first test. The scope of the test (virtual desk based or physical) will depend on what can be agreed with the business areas. However, it will also need to be agreed with Wiltshire Police as the ICT infrastructure is shared between the two organisations.
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Cyber Security (Audit Report Issued 31st October 2018)

Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
Page 143 37947	We recommend that the Business Continuity Plan, Disaster Recovery Plan and Incident Management Process when next updated, action taken to ensure complete and reflect the current management structure of the Council's ICT service, including contact details.	2	Outstanding	31-Mar-19	31-Mar-20	Operations and Transitions Manager	Update of the Business Continuity Plan is complete. Update of the ICT Incident Management process will be complete by end of July 2019. The ICT DR plan will be reviewed/updated during 2019/20 as budget for this is now available in the ICT 2019/20 capital budget.

Strategic Procurement - Acting Head of Service Greg Lewis

Contract Management (Audit Report Issued 25th January 2017)

Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
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37117	We recommend that the revised Contract Management Framework and its supporting toolkit is formally 'relaunched' via a corporate-wide communication to ensure all are aware of it and the requirement to comply. Support documentation on the Framework and Toolkit should be readily available to all Contract Managers.	3	Outstanding	31-Mar-18	31-Oct-18	SRM & Contracts Management Specialist	Response not yet received.
38118	We recommend that the Strategic Procurement Team consider utilising the Contract Leads to promote and share Contract Management Framework information, and to monitor a contracts progress towards adoption of the Framework.	3	Outstanding	28-Feb-18	31-Oct-18	SRM & Contracts Management Specialist	Response not yet received.

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Legal Services - Head of Service Frank Cain

Corporate Complaints (Audit Report Issued 2nd July 2018)

Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
38485	We recommend that a policy is introduced/ implemented that informs all staff of the processes and procedures for dealing with a complaint, including guidance on when to pass the complaint to the Corporate Complaints Team.	3	Outstanding	02-Jan-19		Public Law & Compliance Manager	Response not yet received.

38659	We recommend that all Council staff are trained in the corporate complaints process, the information that may be required of them, the timescales involved and the importance of sticking to these timescales.	3	Outstanding	02-Jan-19		Public Law & Compliance Manager	Response not yet received.
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Whistleblowing Arrangements (Audit Report Issued 31st October 2018)

Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
38451	<p>We recommend that the Whistleblowing Policy:</p> <ul style="list-style-type: none"> • Is updated to replace 'You've told me you'll investigate – what happens next' with 'How the Council will respond' and a flow diagram. • Is reviewed to ensure that it reflects current systems, processes and job titles in relation to whistleblowing; • Receives approval; and, • The updated and approved Policy made accessible to staff on the internet and intranet. 	3	Outstanding	31-Mar-19		Team Leader (Public Law and Compliance)	Response not yet received.

38452	<p>We recommend that:</p> <ul style="list-style-type: none"> • That the telephone number on the Council's internet webpage 'How to blow the whistle internally' is replaced with a direct hotline number for the Public law and Compliance team. • That Customer Services are directed to update their whistleblowing scripts to reflect that a call received from a whistleblower should be put straight through to the Public Law and Compliance team. 	3	Outstanding	31-Mar-19		Team Leader (Public law and compliance)	Response not yet received.
38625	We recommend that whistleblowing awareness is raised across the Council either through training or via the Intranet, induction etc.	3	Outstanding	31-Mar-19		Team Leader (Public law and Compliance)	Response not yet received.
38626	We recommend that an overview of the whistleblowing disclosures received and the actions taken is at least annually to the Council's Standards Committee.	3	Outstanding	31-Mar-19		Team Leader (Public law and Compliance)	Response not yet received.

Officers Declarations of Interests, Gifts and Hospitality (Audit Report Issued 31st October 2018)

Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
36283	We recommend that declaring potential conflicts of interests, gifts & hospitality is covered during induction training for all staff.	3	Outstanding	31-Mar-19		Head of Legal Services	Response not yet received. However, currently undergoing a Follow Up Audit Review.

36284	We recommend that there is a formal process of regular communication to remind staff and managers of the need to record potential conflicts of interest and the offering/acceptance of gifts & hospitality.	3	Outstanding	31-Mar-19		Head of Legal Services	Response not yet received. However, currently undergoing a Follow Up Audit Review.
36285	We recommend that Close Personal Relationships should be reported through the online register of interests. Policy and guidance should be updated accordingly.	3	Outstanding	31-Mar-19		Head of Legal Services	Response not yet received. However, currently undergoing a Follow Up Audit Review.
36286	We recommend that assessment procedures should include an email to the manager to advise when a potential conflict of interest has been registered.	3	Outstanding	31-Mar-19		Head of Legal Services	Response not yet received. However, currently undergoing a Follow Up Audit Review.
36287	We recommend that the compliance team develop procedures to advise managers which members of their team have a current active declaration. This could be via an annual email or perhaps via a flag on a SAP/ HR record.	3	Outstanding	31-Mar-19		Head of Legal Services	Response not yet received. However, currently undergoing a Follow Up Audit Review.
36288	We recommend that the Managers are provided with guidance on how they can find out about existing declarations of interest.	3	Outstanding	31-Mar-19		Head of Legal Services	Response not yet received. However, currently undergoing a Follow Up Audit Review.

36289	We recommend that archive policies and procedures should be developed. Consideration should be given to length of time to keep records of former officers and any records that are no longer current/accurate.	3	Outstanding	31-Mar-19		Head of Legal Services	Response not yet received. However, currently undergoing a Follow Up Audit Review.
36290	We recommend that procedures are put in place to ensure the register entries is kept current.	3	Outstanding	31-Mar-19		Head of Legal Services	Response not yet received. However, currently undergoing a Follow Up Audit Review.
36385 Page 148	We recommend that guidance should be updated to include advice on the level of detail that should be included and of any mandatory information (such as estimated value and date hospitality received). It could also advise a minimum threshold for a declaration.	3	Outstanding	31-Mar-19		Head of Legal Services	Response not yet received. However, currently undergoing a Follow Up Audit Review.

Payroll & Business Development - Head of Service Steve Perry

Staff Travel & Expenses (Audit Report Issued 29th January 2018)

Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
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36766	We recommend that procedures for ensuring all staff, who use their own vehicles for Council business, have business use car insurance cover, valid MOT and full driving licence are reviewed and updated.	3	Outstanding	20-Dec-18	20-Apr-20	HR & Insight Manager	There is an ongoing review of SAP which has been progressing since January, the scope of which includes this type of functionality within an updated or new ERP system. As such we have suspended discussions with the suppliers until the direction of travel and timescales for the SAP review become clear. Should the outcome of the SAP review not include functionality relating to grey fleet/driver management, fleet services have been discussion provision of a service with an
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Housing Operations - Head of Service Nicole Smith

Homelessness Reduction Act (Audit Report Issued 10th December 2018)

Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
3589	We recommend that the Council's new Homelessness Strategy is progressed to completion, members' approval and publication as a priority to comply with legislative requirements.	2	Outstanding	31-Mar-19	31-Oct-19	Head of Housing Operations	Not yet implemented – currently at the formal consultation phase. A new implementation date of 31st October 2019 has been set.

Strategic Assets & Facilities Management - Head of Service Nick Darbyshire

Maintenance of Property (Audit Report Issued 10th December 2018)

Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
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39099	We recommend that Facilities Management continue to investigate the functionality of the Concerto system application to ensure that property maintenance expenditure is measured against the relevant budget to ensure accurate monitoring and management information and also value for money to be achieved.	3	Outstanding	01-Oct-18		Asset Portfolio Manager	Response not yet received.
3100 Page 150	We recommend that Facilities Management continues to consider and draft the risks associated with managing the property maintenance contract and that these are finalised, agreed and documented in the Council's Risk Register.	3	Outstanding	06-Apr-19		Asset Portfolio Manager	Response not yet received.

<p>39101</p> <p>Page 151</p>	<p>We recommend that Facilities Management ensure they meet their contractual obligation to monitor all key performance indicators of each property maintenance contract to achieve good performance, value for money and good satisfaction from stakeholders. Key performance indicators that are not monitored should be reviewed to consider their application, replacement or deletion from the contractual agreement. The Procurement guidance on Contract Management should be finalised and made available on the relevant section of the intranet.</p>	<p>2</p>	<p>Outstanding</p>	<p>06-Dec-18</p>		<p>Facilities Management Delivery Manager</p>	<p>Response not yet received.</p>
<p>39102</p>	<p>We recommend that Facilities Management review and improve the records of monthly meetings with the contractor to provide a fuller account of discussions and an assessment of their overall satisfaction with the way the contract is operating. As a minimum, the spreadsheet should be saved for each month and a new record created for each new meeting to allow an appropriate audit trail.</p>	<p>3</p>	<p>Outstanding</p>	<p>06-Apr-19</p>		<p>Facilities Management Delivery Manager</p>	<p>Response not yet received.</p>

39103	We recommend that the Council should ensure that sufficient due diligence has been completed to satisfy themselves that Kier have appropriate contracts in place with their subcontractors to reduce the level of risk the Council are exposed to in the event of any adverse	3	Outstanding	06-Apr-19		Facilities Management Delivery Manager	Response not yet received.
39131	We recommend that Facilities Management ensure that Kier Services meet their contractual responsibility to pay the subcontractors they engage within the required 30 days of the invoice date.	2	Outstanding	06-Apr-19		Facilities Management Delivery Manager	Response not yet received.

Corporate Assurance & Programmes - Head of Service Liz Creedy

Programme Management Framework (Audit Report Issued 28th October 2018)

Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
38028	We recommend that the format of the 'Corporate' programmes report is updated to clearly distinguish between programme office data and other data and to provide brief updates from non-Programme office programmes reported at status Amber or Red.	3	Outstanding	31-Dec-18		Head of Programme Office	Response not yet received.

Digital Transformation & IT - Interim Director Paul Day

Digital Transformation Programme (Audit Report Issued 5th April 2019)

Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
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40981	We recommend that the Interim Director: Digital Transformation & IT creates a mechanism for ensuring that risks identified at programme level are fed into the wider corporate risk management framework. Open dialogue between the responsible officers is maintained throughout the life of the programme.	2	Outstanding	31-May-19		Interim Director: Digital Transformation & IT	Response not yet received.
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Culture & Operational Change - Head of Service Julie Anderson-Hill

Taxi Licensing (Audit Report Issued 8th November 2017)

Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
Page 158 3481	We recommend that the Compliance Team review their processing of DBS applications to ensure it is efficient for the applicant and the service whilst according, accurately with Government guidance and will consider providing a clear statement on what documents will only be accepted as proof of identity.	3	Outstanding	31-Mar-18		Fleet Services Manager.	Response not yet received.
36483	We recommend that the Compliance Team periodically check on the Internet and in local press and business directories to see who is advertising a taxi service in the Wiltshire area to ensure licensed and if not investigate further.	3	Outstanding	30-Nov-17		Fleet Services Manager.	Response not yet received.

36485	We recommend that the Compliance Team assess the risk of drivers continuing to use out of date vehicle licence plates and consider taking appropriate action to support its literal message and exercises the Council's authority to pre-empt complacency	3	Outstanding	31-Mar-18		Fleet Services Manager.	Response not yet received.
36486	We recommend that the Compliance Team investigate whether the M3 system functionality can be “switched on” to generate sequential reference numbers for taxi driver and vehicle licenses distinct from other licenses to provide a much clearer audit trail.	3	Outstanding	31-Mar-18		Fleet Services Manager.	Response not yet received.
36487	We recommend that a separation of duties is planned between the officer issuing and the officer authorising licences to ensure all licenses issued are appropriate and have followed a consistent applications assessment process.	3	Outstanding	31-Mar-18		Fleet Services Manager.	Response not yet received.
36489	We recommed that a M3 Super User will be identified/allocated to manage and control user access to the taxi licensing data resulting in access being restricted to current staff in the Fleet Compliance Team on a needs basis.	3	Outstanding	31-Mar-18		Fleet Services Manager.	Response not yet received.

36606	We recommend that the Compliance Team ensure records in the M3 system application are complete and maintained up to date in relation to: <ul style="list-style-type: none"> • confirming driving licence holders have been DVLA driving licence checked; and, • vehicles have current motor insurance cover. 	3	Outstanding	31-Mar-18		Fleet Services Manager.	Response not yet received.
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Passenger Transport - Head of Service Jason Salter

Taxi Licensing (Audit Report Issued 8th October 2018)

Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
Page 3674 555	We recommend that management resources are identified to carry out the periodic monitoring of contracts to ensure adequate performance during the contract term, including best value reviews.	2	Outstanding	28-Feb-19	30-Sep-19	Head of Passenger Transport	The post will be created as part of the review of PTU and implemented by September 2019.

Wiltshire Council Outstanding Recommendations 30.05.19

Schools

Data revision date: 30 May 2019

Strategic Assets & Facilities Management - Head of Service ????

Amesbury CE VC Primary School (Audit Report Issued 10th May 2018)

Reference Number	Recommendation	Priority	Status	Original Target Date
38299	We recommend that all staff with financial management responsibilities should complete the SFVS financial competencies matrix.	3	Outstanding	01-Sep-18
38318	We recommend that the school complete a Business Continuity Plan, and this is approved/adopted by the Full Governing Body.	3	Outstanding	30-Jun-18

Strategic Assets & Facilities Management - Head of Service ????

Clarendon Juniors (Audit Report Issued 10th May 2018)

Reference Number	Recommendation	Priority	Status	Original Target Date
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Management of schools

Reference	Description	Priority	Status	Implementation
38686	We recommend that all Governors complete an up-to-date financial management competencies self-evaluation and that these are used to ensure there is sufficient financial knowledge within the Governing Body.	3	Outstanding	31-Jul-18

38712	We recommend that the Business & Resource committee's terms of reference is reviewed to ensure it is accurately reflects practice and that it is formally approved by the Full Governing Board.	3	Outstanding	12-Jul-18
38717	We recommend that the Finance Manual is updated revised and approved to be in line with current practices.	2	Outstanding	30-Sep-18
38718	We recommend that the Whistleblowing Policy is updated to include named contacts and that all Staff and Governors are aware of it and have access to it.	3	Outstanding	30-Sep-18
38720	We recommend that the school adopt a Business Continuity Plan that is formally approved by all Governors.	2	Outstanding	31-Dec-18

38737	We recommend that the amount of uncommitted reserves is reviewed and a plan is put in place considering the best use of these.	3	Outstanding	30-Jun-18
38738	We recommend that all staff with financial competencies complete a self-evaluation upon beginning a role and that this is used to ensure an adequate level of financial expertise.	3	Outstanding	12-Jul-18
38741	We recommend that the School Business Manager & Head Teacher monitor budgets at least monthly and that any deviations from the budget are reported to the Governing Body.	3	Outstanding	06-Jul-18
38742	We recommend that the Finance Manual is updated to include requirements on the number of quotations needed and is approved by Governors.	3	Outstanding	12-Jul-18
38743	We recommend that the whistleblowing policy is update to include names contacts and is accessible by all staff and Governors.	3	Outstanding	12-Jul-18

38744	We recommend that the Business Continuity Plan is updated and formally adopted by Governors.	3	Outstanding	12-Jul-18
38805	We recommend that the Terms of Reference for the Resources Committee is amended and formally approved by the Full Governing Body.	3	Outstanding	31-Dec-18
38810	We recommend that Financial Management Competency Self-Evaluations are completed for all staff with financial responsibilities and that these are used to identify any gaps in knowledge and inform training to ensure adequate competencies exists.	3	Outstanding	31-Dec-18
38811	We recommend that the Head Teacher and the School Business Manager review the budget of all accounts on at least a monthly basis once established and approved and that this is recorded.	3	Outstanding	31-Dec-18
38814	We recommend that the School reviews their policy on the number of quotations required when making new purchases and uses these when reviewing on-going expenditure as well as new expenditure.	3	Outstanding	30-Nov-18
38815	We recommend that the levels of authority in relation to expenditure are reviewed and approved by the Governing Body.	3	Outstanding	31-Dec-18
38836	We recommend that the School create and adopt a Business Continuity Plan	3	Outstanding	31-Mar-19

38877	We recommend that the Scheme of Delegation is reviewed to ensure delegated levels are adhered to and that it is formally approved by Governors.	3	Outstanding	31-Oct-18
39041	We recommend that the School consistently use the CES Application form, ensuring completed ones are retained in staff personnel files upon appointment.	3	Outstanding	31-Dec-18
39044	We recommend that interview panel notes are completed for all interviews and copies retained in personnel files for successful candidates for an appropriately identified retention period and for six months for unsuccessful candidates in line with guidance.	3	Outstanding	30-Nov-18
39045	We recommend that the Spreadsheet currently used to record SFVS returns as they are submitted is maintained and kept up-to-date with a received date and an acknowledged date for each school.	3	Outstanding	21-Dec-18
39047	We recommend that paper copies of documents collected as part of the recruitment process are removed from personnel files and stored on the Single Central Record.	3	Outstanding	30-Nov-18

39050	We recommend that Staffing Minutes are written to reflect discussions that occur around all staffing decisions.	3	Outstanding	30-Nov-18
39051	We recommend that pay scales are reviewed to ensure they are consistently applied and all new vacancies reflect these levels.	3	Outstanding	30-Nov-18
39053	It has been agreed that all forms are reviewed when received to ensure they are complete, readable and signed.	3	Outstanding	21-Dec-18
39167	It has been agreed that when the new guidance is released by the DfE the requirements to be dissemination to schools for greater awareness, in particular the review and signing.	3	Outstanding	29-Mar-19
39180	We recommend that all staff with financial management complete an self-evaluation competencies matrix.	3	Outstanding	31-Dec-18

39198	<p>It has been agreed that SFVS returns are shared with the Internal Audit team, by the Accounting and Budget Support Team. The returns will then be collated and filed for analysis by SWAP Internal Audit to assist in informing the Internal Audit program for schools for the year.</p>	3	Outstanding	31-May-19
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39199	<p>It has been agreed that schools are reminded to complete Section E of SFVS returns and reminded of the guidance issued by the Department of Education on how to record these including timescales and accountability.</p>	3	Outstanding	21-Dec-18
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40019	<p>We recommend that schools ensure they have an appropriate Freedom of Information Publication Scheme available from their website.</p>	3	Outstanding	31-Mar-19
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40020	We recommend that schools ensure they have up to date Privacy Notices displayed on their website that are in accordance with the examples published by the DfE which are available on their website	3	Outstanding	31-Mar-19
40021	We recommend that schools ensure they have appropriate Data Sharing Agreements in place with all organisations with who they share data.	3	Outstanding	31-Mar-19
40022	That schools ensure they have appointed an e-safety lead who has the relevant knowledge and understanding to undertake the role.	3	Outstanding	31-Mar-19
40023	We recommend that schools ensure they have an up to date Data Protection Registration and that a suitable reminder to renew the registration has been set. Schools should be aware that the renewal of a Data Protection Registration has been the subject of a number of scams in recent times and that their renewal should be carried out directly with the Information Commissioners Office.	3	Outstanding	31-Mar-19

40024	We recommend that schools ensure they have an appropriate Anti-Virus software solution in place and running for all IT devices including desktops and laptops.	3	Outstanding	31-Mar-19
40025	We recommend that schools ensure they have proper encryption features are enabled on all PCs, tablets where available portable storage devices.	3	Outstanding	31-Mar-19
40026	We recommend that the access rights held by staff should be documented and periodically reviewed to ensure they remain appropriate.	3	Outstanding	31-Mar-19
40028	We recommend that all staff should have their own individual Admin Password if required. Ideally the Admin Password should be separate for the day to day password they use to perform their normal duties.	3	Outstanding	31-Mar-19

40029	We recommend that schools who use CCTV systems as an additional layer of security should review the Surveillance guidelines available on the ICO website, to ensure they are compliant with the recently introduced General Data Protection Regulations and the Data Protection Act 2018.	3	Outstanding	31-Mar-19
40030	We recommend that schools should ensure that computer screens are locked when the machine is not in use and that the automatic lock function is set to operate after an appropriate period of time.	3	Outstanding	31-Mar-19
40031	That access to school servers should be limited to a small number of individuals with the appropriate level of authority.	3	Outstanding	31-Mar-19
40032	We Recommend that all major hardware items should be appropriately marked to denote them as the property of the school.	3	Outstanding	31-Mar-19

40033	We recommend that any external hard drive/s used as part of the school's data backup solution should be encrypted to prevent unauthorised access to the file contents.	3	Outstanding	31-Mar-19
40034	We recommend that the recovery of data from a back-up should be periodically tested in order to ensure a timely and complete recovery should an incident occur.	3	Outstanding	31-Mar-19
40035	We recommend that schools should periodically review their Business Continuity Plan including the IT recovery strategy, to ensure they remain up to date and relevant to the current situation of the school.	3	Outstanding	31-Mar-19
40036	We recommend that senior school staff should periodically monitor filtering logs to ensure that the school's IT network is being used appropriately by both pupils and staff.	3	Outstanding	31-Mar-19
40037	We recommend that notes made by the Interviewing Panel are retained on personnel files.	3	Outstanding	31-Mar-19

40038	We recommend that Schools use a checklist to ensure that all relevant recruitment documents are present and complete.	3	Outstanding	31-Mar-19
40039	We recommend that copies of identity (and right to work) documents for each successful applicant are retained on personnel files.	3	Outstanding	31-Mar-19
40040	We recommend that originals or copies of DBS check certificates are not retained on the personnel file but are handed back to the individual or securely destroyed.	3	Outstanding	31-Mar-19
40041	We recommend that Medical Forms/checks are completed and retained on the personnel files at the time of appointment.	3	Outstanding	31-Mar-19
40042	We recommend that all personnel files are reviewed on an annual basis to ensure that time expired documents and other material is removed if there is no legal duty to retain such information.	3	Outstanding	31-Mar-19
40044	We recommend that recruitment records for unsuccessful applicants are destroyed no more than 6 months after the recruitment exercise has been completed.	3	Outstanding	31-Mar-19

40045	We recommend that the Head Teacher reviews and signs the monthly payroll reports to confirm it has been checked for accuracy.	3	Outstanding	31-Mar-19
40046	We recommend that the Head Teacher reviews and signs the monthly overtime/additional payment reports to confirm it has been checked for accuracy.	3	Outstanding	31-Mar-19
40114	That the School produces and maintains an Asset Register. This should be used to check against the physical items at least once a year.	3	Outstanding	30-Apr-19
40126	Members of the Governing Body self-assess their financial competency to ensure there is sufficient financial management expertise for effective decision making. Further, that any potential weaknesses both now and in the future are identified and addressed with appropriate training.	3	Outstanding	31-Dec-18
40127	That the Scheme of Delegation is adapted to show delegated approval of the budget to the Full Governing Body as per the Wiltshire Scheme. Approval of the annual budget by the Full Governing Body will be formally noted in meeting minutes to ensure appropriate oversight and approval is recorded.	3	Outstanding	30-Apr-19

40128	The business interest of all staff with financial responsibility are recorded in a register to ensure conflicts of interest are disclosed and that these conflicts are considered when financial decisions are made.	3	Outstanding	31-Dec-18
40157	We recommend the School completes its School Emergency Response Plan and makes it available to all staff as soon as possible so it is ready to use in an emergency.	3	Outstanding	30-Apr-19
40193	The School should maintain an up to date Asset Register. This should be used to check against the physical items at least once a year.	3	Outstanding	05-Apr-19
40207	The Finance and Premises Committee are going to ensure the Benchmarking exercise is carried out to completion, as described in the SFVS Guidance Notes.	3	Outstanding	31-Jan-19
40217	The School should ensure the Finance and Premises sub-Committee has Terms of Reference to document the sub-Committee's responsibilities and these are made available to all Governors.	3	Outstanding	24-Jan-19

40218	<p>The School should ensure that: Prior approval from the Governing Body (or Committee where delegated) is obtained for all expenditure above a predetermined limit; Three written quotes are obtained for all expenditure above a predetermined limit, unless it is impracticable to do so. In such circumstances, the reasons for not doing so should be reported to the Governing Body; Where a quotation other than the lowest is accepted, the reasons for this decision are reported to the Governing Body and included in the minutes of the relevant meeting; and, The Governing Body establish a tendering policy in accordance with Financial Regulations - see s3.3.2 Wiltshire Schools Finance Manual.</p>	3	Outstanding	05-Apr-19
40219	<p>Official, pre-numbered orders should be used, and these should be signed by the Headteacher to approve the financial commitment from the School's budget.</p>	3	Outstanding	21-Dec-18
40220	<p>Requests to make a purchase using the School's Business Charge Card should be presented to the Headteacher to sign as approved before the card is used.</p>	3	Outstanding	21-Dec-18
40221	<p>The School should account for the source of all income to ensure all monies collected on site are banked in full. The member of Staff receiving the money in the first place should record enough details before it is added to other cash collections to provide an adequate audit trail.</p>	3	Outstanding	01-Dec-18

40292	<p>The Governing Body has some awareness of the financial skills of the Governors, but all Governors should complete the SFVS financial skills competency self-evaluations to ensure that the Governing Body has the necessary financial knowledge as a whole to perform its role and addresses any identified weaknesses.</p>	3	Outstanding	31-Dec-18
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40294	<p>All staff with financial responsibility should complete a financial competency self-evaluation immediately to ensure any weaknesses are identified and can be addressed. The School should also put in place a contingency plan for financial staff absence.</p>	3	Outstanding	31-Mar-19
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40295	<p>We recommend that Governors review recent Benchmarking data against comparable schools and determine whether there is scope for improvement. Should savings or financial advantages be identified the School should produce an action plan to achieve these. This exercise should be performed annually going forward.</p>	3	Outstanding	31-Mar-19
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40311	<p>The Financial Procedures Policy should be followed in full to ensure all claims and payments are appropriately documented, authorised and show clear segregation of duties.</p>	2	Outstanding	31-Jan-19
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40312	<p>The School needs to develop and adopt a Business Continuity Plan immediately to ensure that it can effectively respond to any disruptive incidents as quickly as possible.</p>	3	Outstanding	31-Dec-18
40318	<p>To demonstrate the level of the Governors involvement in ensuring that the School's finances keep to the planned budget, the Governors meeting minutes should provide the following detail:</p> <ul style="list-style-type: none"> • Clear reference to supporting reports presented; • Discussion of any anomalies identified from reporting; • Clear statement of the current balance / financial position; and, • Governors approval, or otherwise of the reported position. 	3	Outstanding	24-Jan-19
40350	<p>The School should further develop the Asset Register and use this to check against the physical items on site on at least an annual basis.</p>	3	Outstanding	31-Jan-19

40361	Occupational Health and Safety and Strategic Asset and Facilities Management should determine how best they can work together to ensure there is a robust system in place for monitoring and addressing remedial actions, to reduce duplication and optimise the use of limited resources. The Health, Safety and Welfare Policy Statement for Schools needs to be revised to clarify the responsibilities of each function within the Council involved in the Health and Safety of Schools including who ultimately acts as the "Competent Person".	2	Outstanding	31-Mar-19
40670	We recommend conflicts of Interest and declaration of business Interests to be a standing agenda item for all governance meetings. All conflicts of interest should have a clear and transparent plan in place to manage.	2	Outstanding	30-Apr-19
40895	We recommend that it is clearly minuted when a document is approved at a committee meeting, particularly key documents such as the Budget Template.	3	Outstanding	29-Mar-19
40908	We recommend that the whistleblowing policy is reviewed and updated as necessary to include the addition of contact details and to be placed in an easily accessible location by all staff.	3	Outstanding	29-Apr-19

41053	<p>We recommend that the whistleblowing policy is reviewed and approved as soon as possible. It should then be uploaded on to the schools website so it can be easily accessed by interested parties.</p>	3	Outstanding	31-May-19
41064	<p>We recommend that Governors seek advice on best practice employment processes and amend the existing Safer Recruitment policy to reflect this.</p>	3	Outstanding	30-Nov-18

Revised Target Date	Responsible Officer	Management Response / Update
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Head Teacher
& School
Business
Manager

Head Teacher/
School
Business
Manager/
Chair of
Governors

Revised Target Date	Responsible Officer	Management Response / Update
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Revised End Date	Responsible Officer	Management Responses
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Fearon, Louise 20/06/2018
FO Response:

Clerk to
Governors

"All Governors to complete an up-to-date Financial Competencies Self evaluation."

Fearon, Louise 31/05/2018
SBM Response:

Chair B&R

"Review and update B&R's Terms of Reference. Formally adopt at next FGB committee meeting."

Fearon, Louise 20/06/2018
FO Response:

"HT / FO to review/revise add to agenda for formal approval."

02-May-19

HT/FO

Fearon, Louise 10/04/2019
Overdue recommendation followed up on 10/04/19

Fearon, Louise 16/04/2019
Response from SBM:

"Revision to Governors meeting 02/05/2019"

HT/FO

Fearon, Louise 20/06/2018
FO Response:

"Update & make readily available to Staff/Visitors."

Fearon, Louise 20/06/2018
FO Response:

"Adopt a BCP & bring to Governors for approval."

02-May-19

HT / Clerk /
Governors

Fearon, Louise 10/04/2019
Overdue recommendation followed up on 10/04/19

Fearon, Louise 16/04/2019
Response from SBM:

"Approval request to Governors meeting 02/05/2019."

Fearon, Louise 31/05/2018
SBM Response:
Head
Teacher/B&R Ctte "The Headteacher and SBM will work on different scenarios. The Headteacher will consider uncommitted reserves when writing the improvement plan."

Fearon, Louise 31/05/2018
SBM Response:
SBM "Ensure All staff with a financial role complete a Financial Competency self-evaluation on starting work at school and annually thereafter."

Fearon, Louise 31/05/2018
SBM Response:
SBM/Head
Teacher "Arrange a monthly (2nd Thursday) meeting after payroll has been reconciled and posted on to the system for the Headteacher and the SBM to monitor the budget. Create a top sheet to show what has been looked at, anomalies etc. SBM to use the same report each month."

Fearon, Louise 31/05/2018
SBM Response:
SBM "SBM to update the Finance Manual to include amounts of quotes to be sought."

Fearon, Louise 31/05/2018
SBM Response:
Chair of B&R "Update the Whistleblowing policy with named governor and contact telephone number after permission sought. Publish in Governors private area of website and publish to staff."

Fearon, Louise 31/05/2018

SBM Response:

SBM "The Emergency Plan and BCP to be presented, approved and adopted by the Governing Body."

Jenkins, Pat 05/11/2018

School Business Manager Response to Draft Report - 31/10/18 Strategic Financial Support Mgr. (GD): To be actioned by the new School Business Manager.

Jenkins, Pat 05/11/2018

School Business Manager Response to Draft Report - 31/10/18 Strategic Financial Support Mgr. (GD): All office staff have changed during the summer of 2018. New Finance Officer recruited, School Business Manager and Admin assistant responsible for the financial running of the school.

Jenkins, Pat 05/11/2018

School Business Manager Response to Draft Report - 31/10/18 Strategic Financial Support Mgr. (GD): Process to be adopted by the school and be presented to either the Governing Body or Interim Executive Board.

Jenkins, Pat 05/11/2018

School Business Manager Strategic Financial Support Mgr. (GD): To be actioned by new School Business Manager immediately when commences with Finance Officer.

Head Teacher and School Business Manager Jenkins, Pat 05/11/2018 Strategic Financial Support Mgr. (GD): New Finance Manual will include level of authority,

Jenkins, Pat 05/11/2018

School Business Manager Response to Draft Report - 31/10/18 Strategic Financial Support Mgr. (GD): To be addressed by the new School Business Manager

Fearon, Louise 22/06/2018

SBM Response:

FGB "The scheme of delegation will be reviewed and formally approved at the first FGB meeting of the new academic year."

School Business Manager
Jenkins, Pat 05/11/2018
Response to Draft Report - 31/10/18
Strategic Financial Support Mgr.
(GD): Agreed going forward

School Business Manager
Jenkins, Pat 05/11/2018
Response to Draft Report - 31/10/18
Strategic Financial Support Mgr.
(GD): To be actioned by School Business Manager

School Strategic Financial Management Adviser
Fearon, Louise 18/09/2018
Response from Schools Strategic Financial Support Manager:
"Agreed. Due to a change in personnel in the team for 2017-18, different staff were involved in the process and training will be provided for the 2018-19 returns. Hazel Ryan will be providing training for Sasha Bryant, the newly appointed member of the team to undertake this task."

School Business Manager
Jenkins, Pat 05/11/2018
Response to Draft Report - 31/10/18
Strategic Financial Support Mgr.
(GD): To be actioned by School Business Manager

Jenkins, Pat 05/11/2018
School Business Manager Response to Draft Report - 31/10/18
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(GD): To be actioned by School Business Manager

Jenkins, Pat 05/11/2018
School Business Manager Response to Draft Report - 31/10/18
Strategic Financial Support Mgr.
(GD): To be actioned by School Business Manager

Fearon, Louise 18/09/2018
Response from Grant Davis, Schools Strategic Financial Support Manager:
School Strategic Financial Management Adviser "Agreed. Due to a change in personnel in the team for 2017-18, different staff were involved in the process and training will be provided for the 2018-19 returns. Hazel Ryan will be providing training for Sasha Bryant, the newly appointed member of the team to undertake this task."

Schools Strategic Financial Support Manager/School Strategic Financial Management Adviser Fearon, Louise 18/09/2018
Response from Schools Strategic Financial Support Manager:
"Yes, this will be made available through Right Choice and also raised at Primary Heads Forum and Wiltshire Association of Secondary and Special Schools."

Fearon, Louise 10/11/2018
Response from SBM:
SBM "Staff evaluation with be completed by December 2018, once budget building for FY 2019/20 is completed and those with FY responsibilities have been identified."

Fearon, Louise 28/09/2018
Response from Grant Davis, Schools
Strategic Financial Support Manager:

Schools
Strategic
Financial
Management
Adviser

"The SFVS is a self-assessment tool where schools benchmark themselves against the standard. Previous attempts at using a traffic light system to analyse the results and inform the audit team have proved fruitless, ie a school answering 'Yes' to all of the questions would show as 'Green' but doesn't necessarily mean that they have fulfilled the standard.

As it is a self-assessment, schools are completing the return subjectively.

The SFVS Guidance for 2018-19 states;

- If the answer is Yes, the comments column can be used to indicate the main evidence on which the

School
Strategic
Financial
Management
Adviser

Fearon, Louise 18/09/2018
Response from Schools Strategic
Financial Support Manager:

"Yes, will be included on all letters and communications with schools."

Head of
Performance
Management
and
Information

Jenkins, Pat 05/11/2018
Lynda Cox Head of Performance
Management and Information
response: Agreed to facilitate
communicating to all schools
reminding them of good practice in
the area and the benefits. This can
be via Right Choice website and
SWAP Team to provide support in
drafting.

Head of Performance Management and Information
Jenkins, Pat 05/11/2018
Lynda Cox Head of Performance Management and Information
response: Agreed to facilitate communicating to all schools reminding them of good practice in the area and the benefits. This can be via Right Choice website and SWAP Team to provide support in drafting.

Head of Performance Management and Information
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Lynda Cox Head of Performance Management and Information response: Agreed to facilitate communicating to all schools reminding them of good practice in the area and the benefits. This can be via Right Choice website and SWAP Team to provide support in drafting.

Jenkins, Pat 05/11/2018
Lynda Cox Head of Performance Management and Information response: Agreed to facilitate communicating to all schools reminding them of good practice in the area and the benefits. This can be via Right Choice website and SWAP Team to provide support in drafting.

Jenkins, Pat 05/11/2018
Result of conversation between SWAP AD, IW, and HR Operations Manager, JM, Agreed to facilitate communicating to all schools and a self -assessment. SWAP Team to provide support in preparing.

Head of HR Operations
Jenkins, Pat 05/11/2018
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Result of conversation between
SWAP AD, IW, and HR Operations
Manager, JM: Agreed to facilitate
communicating to all schools and a
self -assessment. SWAP Team to
provide support in preparing.

Adlam, Andrew 04/02/2019
Action agreed for Final Report: An
asset register will be created and a
diary note to check annually. This
will be undertaken by a parent
volunteer. R/O is the Head Teacher
to be implemented by 30.04.19.

Fearon, Louise 27/11/2018
SBM Response:
SBM,
Clerk to
Governors "All members of the Governing Body
to complete the SFVS financial skills
document. Clerk to ensure that
governor training matrix is up to date
and available to School Business
Manager."

Fearon, Louise 27/11/2018
SBM Response:
Clerk to
Governors "Scheme of delegation to be
reviewed and approved at next
meeting."

Fearon, Louise 27/11/2018

SBM response:

Clerk to
Governors

"Business interest document to be updated and distributed to all budget holders and staff with financial responsibilities."

Adlam, Andrew 04/02/2019

Chair of
Governors

Action agreed for Final Report: To be reviewed and agreed by FGB. R/O = Chair of Governors. TO implement by 30.04.19

Assistant
Headteacher

Adlam, Andrew 19/12/2018

Agreed Action in Draft Report: Asset register is updated.

Headteacher /
Chair of
Governors.

Adlam, Andrew 19/12/2018

Agreed Action in Draft Report:
Benchmarking to take place between headteacher and chair of governors then findings discussed at the finance and premises sub-committee. An action plan is written and reviewed at subsequent sub-committee meetings.

Headteacher.

Adlam, Andrew 19/12/2018

Agreed Action in Draft Report: Terms of Reference to be available at the next finance and premises sub-committee meeting.

Adlam, Andrew 19/12/2018
Agreed Action in Draft Report:
Approval is gained from the finance
and premises sub-committee/full
Headteacher / governors for expenditure over
SBM. £5000. Three quotes are gained or
reasons given for less than this.
Reasons given for not choosing the
lowest quote. A tendering policy is
established.

Adlam, Andrew 19/12/2018
Headteacher. Agreed Action in Draft Report:
Orders signed by the headteacher.

Adlam, Andrew 19/12/2018
Agreed Action in Draft Report:
Headteacher. Approval for using the Business
Charge Card to be given by the
headteacher.

Adlam, Andrew 19/12/2018
Agreed Action in Draft Report: Detail
SBM recorded for cash collection ensure
an adequate audit trail.

Fearon, Louise 06/12/2018

Finance Officer response:

Chair of
Governors

"Financial skills matrix for the governing body has been circulated and will be completed."

Fearon, Louise 06/12/2018

Finance Officer response:

Head Teacher

"Staff with financial responsibilities to complete the self-evaluation. A contingency plan will be written to ensure continuity due to illness of finance staff."

The Governors should review recent Benchmarking data against comparable schools and determine whether there is scope for improvement. Fearon, Louise 06/12/2018
Should savings or financial advantages be identified the School should produce an action plan to achieve these. Finance Officer response: "Head Teacher to benchmark and report back to Governing Body. Once a year in March."
This exercise should be performed annually going forward.

Fearon, Louise 06/12/2018
Finance Officer response:

"Financial procedures policy will be discussed again, to ensure procedures are in place to adhere to it and appropriately documented."

Chair of Governors Fearon, Louise 10/04/2019
Overdue recommendation followed up on 10/04/19

Fearon, Louise 10/05/2019
Response from SBM:

"Adopted FGB December 11th 2018."

Head Teacher Fearon, Louise 06/12/2018
Finance Officer response:
"Business Continuity Plan to be drawn up."

Chair of Governors Adlam, Andrew 19/12/2018
Agreed Action in Draft Report:
Greater detail to be shown in minutes of governor meetings including questions over anomalies and approval of the reported position.

Head Teacher Fearon, Louise 06/12/2018
Finance Officer response:
"A Fixed Asset checklist to be completed for each room in the school. IT Register to be maintained by IT Technician – this will be improved with greater detail."

		<p>Fearon, Louise 15/01/2019 Response from Head of Occupational Health and Safety:</p>
30-Aug-19	Head of Occupational Health and Safety	<p>"Respective managers to meet and review working arrangements and access to documentation records. Policy documents to be revised to reflect agreed arrangements and to more clearly identify respective roles and responsibilities."</p>
		<p>Fearon, Louise 10/04/2019 Overdue recommendation followed up on 10/04/19</p>
	Chair of Resources	<p>Costello, Gayle 07/05/2019 Declaration of conflicts of interest & declaration of business interests to be on every Resources committee agenda. New policies in place for Relationship Protocol and Pecuniary interests.</p>
	Headteacher	<p>Fearon, Louise 21/03/2019 SBM response:</p> <p>"Agree format of recording key decisions with Clerk and Chairs of Committees to ensure full and compliant audit trail is in place and that procedures are agreed for reporting to full governors."</p>
	School Business Manager	<p>Fearon, Louise 21/03/2019 SBM response:</p> <p>"Review and approve Whistleblowing Policy and update contact details. Place copy of updated policy in staff room. Place Whistleblowing Flowchart in staff room/staff toilets."</p>

Costello, Gayle 07/05/2019
We recommend that the
Whistleblowing Policy is reviewed
Headteacher and approved as soon as possible. It
should then be uploaded on to the
School's website so it can be easily
accessed by interested parties.

School Wilson, Charlotte 02/04/2019
Business To be actioned by School Business
Manager Manager

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PROPOSED WORK PROGRAMME FOR THE AUDIT COMMITTEE 2019/20

24 July 2019 10am	Report to those charged with Governance (ISA 260) 2018/2019	Deloitte		11 July 2019	16 July 2019
	Pension Assurance on accounts	Pension Fund/ Jim Brewster			
	Statement of Accounts	Becky Hellard			
	Annual Governance Statement	Ian Gibbons			
	IA annual report 2018/2019	SWAP			
	Q1 IA Report	SWAP			
	Appointment of a member to the Constitution Focus Group	Chairman			
	Detailed Action Plans on Money Laundering, Anti-Fraud, Theft, Bribery and anti-corruption	SWAP			

PROPOSED WORK PROGRAMME FOR THE AUDIT COMMITTEE - 2019

7 November 2019 10am	Q2 IA report	SWAP		24 Oct	30 Oct
	External audit update	Deloitte			
	Risk and Performance Management Policy - Update on the implementation of the policy	Robin Townsend			
	SWAP international standards assessment Triennial External Assessment Review on Compliance to Public Sectors Internal Audit Standards	SWAP			
	Service Area Risk Register – Children’s Services	Robin Townsend			
	30 min add on – not part of formal meeting – Confidential meeting with external auditors (annually)				
12 February 2020	Q3 IA Report	SWAP		30 Jan	4 Feb
	Grant Certification Report	Deloitte			