

## AGENDA

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**Meeting:** Audit  
**Place:** Kennet Committee Room  
**Date:** Wednesday 26 October 2016  
**Time:** 10.30 am

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Please direct any enquiries on this Agenda to Libby Beale of Democratic Services, County Hall, Trowbridge, direct line (01225) 718214 or email [elizabeth.beale@wiltshire.gov.uk](mailto:elizabeth.beale@wiltshire.gov.uk)

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### Membership:

Cllr Richard Britton (Vice  
Chairman)  
Cllr Rosemary Brown  
Cllr Tony Deane (Chairman)  
Cllr Stewart Dobson  
Cllr Mike Hewitt  
Cllr George Jeans

Cllr Julian Johnson  
Cllr Linda Packard  
Cllr Sheila Parker  
Cllr David Pollitt  
Cllr James Sheppard

### Non-Voting Members

Cllr Baroness Scott of Bybrook  
OBE

Cllr Dick Tonge

### Substitutes

Cllr Chris Caswill  
Cllr Terry Chivers  
Cllr Peter Evans  
Cllr Nick Fogg MBE  
Cllr Atiqul Hoque  
Cllr David Jenkins

Cllr Jacqui Lay  
Cllr Alan MacRae  
Cllr Helen Osborn  
Cllr Mark Packard  
Cllr Ian West

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## Part I

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

#### 1 **Apologies and Membership Changes**

To receive any apologies for absence and to note any membership changes.

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

To confirm and sign the minutes of the Audit Committee meeting held on 27 July 2016.

#### 3 **Declarations of Interests**

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

#### 4 **Chairman's Announcements**

To receive any announcements through the Chairman.

#### 5 **Public Participation and Councillor's Questions**

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 the agenda (acting on behalf of the Corporate Director) no later than 5pm on Wednesday 19 October to be guaranteed a written response or by 5pm on Friday 21 October to receive a verbal response. 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 SWAP- Internal Audit Report- Quarter 2 (Pages 11 - 64)**

To consider the internal audit report for Quarter 2 2016/17 and appendices presented by SWAP.

**7 Annual Audit Letter 2015/16 (Pages 65 - 72)**

To consider the Annual Audit Letter 2015/16 presented by KPMG.

**8 Information Governance Improvement Plan (Pages 73 - 80)**

To consider the attached report in respect of Information Governance.

**9 Procurement of External Audit (Pages 81 - 90)**

The Committee is invited to consider and comment on the future process to appoint the Council's external auditors.

**10 Forward Work Programme (Pages 91 - 94)**

To review the Forward Work Programme for the Committee.

**11 Date of next meeting**

To note that the next regular meeting of the Committee will be held on 24 January 2017 at 2pm.

**12 Urgent Items**

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

**13 Exclusion of the Public**

To agree that in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the business specified in Item Number 14 because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraphs 1 & 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public

**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**

**14 Public Service Network Update**

To consider a verbal update to be provided at the meeting on the Public Service Network health check.



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## AUDIT

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### **MINUTES OF THE AUDIT MEETING HELD ON 27 JULY 2016 AT KENNET COMMITTEE ROOM.**

#### **Present:**

Cllr Richard Britton (Vice Chairman), Cllr Tony Deane (Chairman), Cllr Stewart Dobson, Cllr Mike Hewitt, Cllr Atiqul Hoque (Substitute), Cllr Sheila Parker, Cllr David Pollitt and Cllr Dick Tonge

#### **Also Present:**

Dr Carlton Brand and Carolyn Godfrey.

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#### **24 Apologies and Membership Changes**

Apologies for absence were received from Baroness Scott of Bybrook, Cllr Rosemary Brown and Cllr Julian Johnson who was substituted by Cllr Atiqul Hoque.

#### **25 Minutes of the Previous Meeting**

Members considered the minutes and actions arising from the last meeting. The Chairman advised that the action to write to other members and key officers in Wiltshire schools was outstanding and would be completed following this meeting. The Committee was updated that healthy organisations had been discussed informally with Cabinet members, however the progression of this to a Cabinet meeting in the autumn was to be considered at a Corporate Leadership Team meeting. The Chairman asked that himself and the Vice Chairman be invited to Cabinet should an item on healthy organisation be taken,

#### **Resolved:**

**To confirm as a true and correct record the minutes of the meeting held on 25 April 2016, subject to an amendment to reflect the attendance of Cllr David Pollitt.**

**To note the progress on actions arising.**

26 **Members' Interests**

There were no declarations of interest.

27 **Chairman's Announcements**

The chairman advised that meetings were open to the public and may be recorded.

28 **Public Participation and Committee Members' Questions**

There was no public participation.

29 **Appointment to the Constitution Focus Group**

The Audit Committee was requested to appoint a member to the Constitution Focus Group, as required by its Terms of Reference, to replace Cllr Helen Osborn.

**Resolved:**

**To appoint Cllr Tony Deane as the Audit Committee representative on the Constitution Focus Group.**

30 **KPMG- Report to those Charged with Governance**

The Committee considered the ISA 260 report from external auditors in its receipt of the draft accounts for 2015/16. The report summarised the conclusions and key issues arising from the recent audit of the Council's financial statements and KPMG's assessment of the Council's arrangements to secure value for money in its use of resources.

Darren Gilbert (KPMG) and Michael Hudson (Associate Director for Finance) explained the report was designed to ensure transparency in the audit process and thanked the team for their hard work in supporting the 2015-16 external audit. In summary, the auditors were satisfied that the overall accounts were in good health, subject to three audit adjustments relating to technical accounting adjustments; the Pension Fund accounts were also satisfactory. KMPG confirmed that the Council had strong arrangements in place in terms of



financial controls, IT and organisation, and that although there were some recommendations arising from the audit, they were not critical. The auditor concluded that controls were in place to ensure the Council had made proper arrangements to secure, economy, efficiency and effectiveness in its use of resources. It was confirmed that the external auditors had kept in regular contact with the internal auditors, South West Audit Partnership (SWAP), and placed reliance on their work.

Questions were invited and it was confirmed that an IT test was planned for October 2016 which would simulate the collapse of IT systems and test the recovery of the system. Following further questions on IT controls, the auditor advised that improvements had been made to the SAP control environment, particularly in relation to access for 'powerful users' but this was still a work in progress. It was noted that KPMG's grading of IT controls was the same as previous years, however the Committee was reassured that improvement had been made.

In response to questions about the audit adjustments, members were advised that they were an accounting interpretation and would not affect the Council's level of general fund reserves; the first adjustment related to the accounting treatment of the sale of an asset within Other Land and Buildings, the second adjustment related to the accounting treatment of depreciation and upwards revaluation of an asset also within Other Land and Buildings. KPMG confirmed that its audit was not exposed to risk due to reliance on recommendations from the internal audit, and would undertake additional tests for reassurance when required. The Committee was advised that a Performance Scorecard was in development for the Better Care Fund and its expenditure was monitored closely. Officers advised that the Five Rivers valuation had recently been revisited and the new valuation was reflected in the accounts.

**Resolved:**

**To thank the Wiltshire Council finance team for their hard work in supporting the 2015/16 audit.**

**To note the ISA 260 report from KPMG and to delegate the signing of the management representation letter to the Chairman of the Audit Committee.**

31 **Annual Governance Statement**

The Committee was presented with officer reports on the Annual Governance Statement (AGS) which it had previously reviewed in draft; the changes proposed by the Committee had been incorporated and no further changes had been suggested by Cabinet. The AGS was to form part of the Annual Statement of Accounts for 2015-16 and set out the current systems of control. Significant

governance issues identified were as follows: delivery of the Council's Business Plan 2013-17, impact of financial challenges on Procurement of Contracts, Information Governance, Safeguarding Children and Young People.

The Committee was invited to comment on the AGS and noted, in reference to paragraph 74, that the Council had since reviewed the Code of Conduct for Councillors to ensure it was effective in promoting high standards of conduct. Members considered actions which still required completion from an Audit in 2015 in relation to Information Governance and queried the high number which were either partially complete or not yet implemented. Dr Carlton Brand (Corporate Director) advised that the recommendations would be implemented over a 4—5 year programme since the work required would be very resource intensive and updated that the audit of information assets was due to take place in the autumn since the Information Governance team was now fully staffed. The Corporate Director advised that he would bring a work plan to a future meeting and would also update members on the results of the IT system test. The Committee noted the high number of Freedom of Information Requests received each year and the resource required to manage this. The Chairman highlighted that continuity of the Project Manager overseeing the Information Governance work was important and it was confirmed that the Corporate Risk Register was updated to reflect the capacity and knowledge of teams and key officers.

**Resolved:**

**To approve the Annual Governance Statement for 2015/16 for publication with the Statement of Accounts.**

**To request that the Information Governance work plan and associated timeline be presented to the next meeting.**

32 **Statement of Accounts**

The Associate Director for Finance, introduced the Statement of Accounts and thanked officers and KPMG for their work to have this completed ahead of the statutory deadline. It was noted that a small underspend remained from the previous financial year and the accounts included the accounting adjustments recommended by KPMG. Members commented that transport costs for SEND (Special Educational Needs and Disabilities) pupils were significant and increased year on year. Carolyn Godfrey (Corporate Director) advised that the Council only provided transport where it had a statutory duty to do so and negotiated reductions in costs from providers where possible. Questions were raised over the technical definition of Council Tax, as referenced in the accounts, and it was agreed that wording would be reviewed before the accounts for the next financial year.

Members discussed Note 4 which identified that in terms of property, plant and equipment, the current economic climate made it uncertain that the Council would be able to sustain its present spending on repairs and maintenance, which would have a knock on effect on the useful lives assigned to assets. It was understood that the risk would be reflected in the service area's Risk Register and in the Annual Governance Statement. It was confirmed, in respect of Note 41, that the Council was now working to achieve upfront payments to prevent arrears. The breakdown of 'Sundry debtors' was provided and members noted that £8m was related to housing benefit.

**Resolved:**

**To approve, and refer to Cabinet, the Statement of Accounts for 2015-16.**

**To delegate the signing of the Statement of Accounts to the Chairman of the Audit Committee.**

33 **SWAP- Internal Audit Annual Report (2015/16) and First Quarter Update (2016/17)**

The Committee was presented with an update on the performance of the Internal Audit Section for 2015/16 (Annual Report) and for the first quarter of 2016/17.

Jenny Strahan, South West Audit Partnership, advised that the internal audit report had given an overall opinion of 'reasonable assurance' based on 63 individual audits it had undertaken. In particular, the internal audit had investigated problematic schools. A summary of recommendations implemented was provided; 236 priority 3&4 recommendations had been raised, of which 233 had been agreed and 140 implemented. Of the 93 outstanding recommendations, 38 implementation dates were not yet due. The 55 outstanding recommendations were being shared with the Corporate Leadership Team to monitor progress. It was acknowledged that final reports were often delayed; this was due to the knock-on effect of 'healthy organisations' and also resource issues which would be factored in for the next financial year. More resources would be brought in from September to support the audit and SWAP would be holding more regular meetings to update the Corporate Leadership Team. The officer circulated an updated copy of the internal audit work plan which included dates. Jenny Strahan updated the Committee that she was shortly to leave SWAP for a position elsewhere working as an IT auditor.

**Resolved:**

**To note the report and verbal update provided at the meeting.**

34 **Forward Work Programme**

The Committee heard that reports were on target for the October meeting and requested that an update on Information Governance be added to the Work Plan for the next meeting. The Associate Director for Finance advised that he was awaiting further national guidance on the procurement of internal audits and would update on this at a future meeting. The Associate Director was also to make arrangements for training members on the statement of accounts.

**Resolved:**

**To note the progress of actions on the Forward Plan and request that the Information Governance work plan and associated timeline be added to the work plan for the next meeting.**

35 **Date of next meeting**

The next ordinary meeting of the Committee was to be held on 26 October 2016.

36 **Urgent Items**

There were no urgent items.

(Duration of meeting: 10.30 am - 12.50 pm)

The Officer who has produced these minutes is Libby Beale, of Democratic Services, direct line (01225) 718214, e-mail [elizabeth.beale@wiltshire.gov.uk](mailto:elizabeth.beale@wiltshire.gov.uk)

Press enquiries to Communications, direct line (01225) 713114/713115

**WILTSHIRE COUNCIL**

**AGENDA ITEM NO.**

**AUDIT COMMITTEE**

**26 October 2016**

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## **INTERNAL AUDIT - Second Quarter Update (16/17) REPORT**

### **Purpose of the Report**

1. This progress report presents the Committee with an update on the performance of the Internal Audit (IA) Section for the second quarter of 2016/17. In particular, it provides a summary of:
  - the outcomes of audits completed during the 2015/16 period and Quarter 1 and 2 audits planned in 2016/17;
  - the results and outcomes of follow-up reviews carried out during this period, to assess the extent and adequacy of management action taken in response to audit reports from the previous year; and
  - an update on the delivery of the 2016/17 IA Plan, including audits in-progress which should be finalised and reported to the next Committee meeting and any deferred audits.

### **Executive Summary**

2. Overall 18 audits have been completed in year with a further 11 at draft/discussion document stage.
3. Recognising the need to align more closely internal audit effort with corporate risk areas, the 2015-16 Internal Audit Plan included combined assurance assignments (i.e. Healthy Organisation) for the first time. This approach required a more collaborative approach with officers to identify existing assurance arrangements (i.e. the three lines of defence).

SWAP completed the Corporate Healthy Organisation Review in April 2016 and has completed further pilot work in the following areas: Public Health; Highways; Children's Safeguarding; Economic Development and Adult Care.

4. In total, 9 audits have been carried forward from the 2015/16 IA Plan into 16/17 Plan. Of these, 8 are now complete, 1 is at draft stage.
5. Currently, 41 audits from the 2016-17 plan have commenced. 10 have been completed, 11 are at draft or discussion document stage, and 20 are in progress.
6. From this work no potential very high significant 'corporate' risks have been identified.

7. Since the last update report in July 2016, there has been one audit that afforded partial assurance.
8. Overall, during the 2016/17 financial year, 103 recommendations have been made by IA that includes Council Services and Schools. These have been broken down as follows:

Year	Priority 5	Priority 4	Priority 3	Priority 2	Priority 1	HO	Total
2016/17	0	5	48	18	0	32	103
%	0%	4%	48%	17%	0%	31%	100%

9. Appendix B shows audits grouped by current status and highlighted as Red, Amber or Green.
10. Overall the performance of SWAP (16/17) is on track with the partnership performance measures.

### **Proposal**

11. Members are asked to note the findings from IA audits to date.

### **Reasons for Proposals**

12. To ensure an effective IA function and strong control environment.

**Michael Hudson**  
**Associate Director, Finance, S.151 Officer**

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Unpublished documents relied upon in the preparation of this Report: None.

- Appendices: A – Report of Internal Audit activity quarter 2 update – 2016/17  
 B – Schedule of planned work 2016/17  
 C – Schedule of potential significant risks from Internal Audit work  
 D – Schedule of key points relating to “Partial Assurance” reviews  
 E – Outstanding Audit Recommendations – Council Services  
 F – Outstanding Audit Recommendations – Schools  
 G – Audit Recommendations Not Agreed  
 H – Healthy Organisation report

# Wiltshire Council

Report of Internal Audit Activity

Quarter 2 Update – 2016/17

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## The contacts at SWAP in connection with this report are:

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Internal Audit Work Programme 2016/17

Role of Internal Audit Work & Audit Work Quarter Summary

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Approved Amendments to Annual Audit Plans 2016/17

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## Summary

**The Chief Executive of SWAP is required to provide an opinion to support the Annual Governance Statement.**

“risks are generally well managed and the systems of internal control are working effectively”



### Audit Opinion

Overall, based on the work completed to date this financial year, I can report that risks are generally well managed and the systems of internal control are working effectively. Management generally respond positively to Internal Audit suggestions for improvements and corrective action is often taken quickly, wherever this is possible or practical.

## Our audit activity is split between:

- **Operational Audits**
- **Key Control Audits**
- **Governance, Fraud & Corruption Audits**
- **IT Audits**
- **Special Reviews**



## Role of Internal Audit and Audit Work Quarter Summary

The Internal Audit service for Wiltshire Council is provided by South West Audit Partnership (SWAP). SWAP is a Local Authority controlled company. SWAP has adopted and works to the Standards of the Institute of Internal Auditors, further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS). The Partnership is also guided by the Internal Audit Charter approved by this Committee.

Internal Audit provides an independent and objective opinion on the Authority's governance, risk and control environment by evaluating its effectiveness. Internal Audit work is largely driven by an Annual Audit Plan. This is approved by the Associate Director, Finance (Section 151 Officer), following consultation with the Corporate Leadership Team, the Audit Committee and External Auditors. Audit assignments are undertaken in accordance with this Plan to assess current levels of governance, risk and control. This audit assignment activity is broken down into various categories of work as outlined in the bullet points shown in the column on the left of this page.

Carried forward from 2015/16 has now been completed except for the ICT Healthcheck audit that remains at draft. 10 audits from the 2016/17 plan have been completed, 9 are at draft, 2 at discussion document stage and 20 in progress. The progress in completion of the plan is on target for this stage of the year when carried forwards and summer holidays are considered.

## Outturn to Date:

**We rank our recommendations on a scale of 1 to 5: with priority 1 being very minor or administrative concerns that are not formally captured but the client is informally advised during the audit instead, through to priority 5 being areas of major concern that would require immediate remedial action by senior management.**

**Healthy Organisation recommendations are rated high; medium and low according to the opinion.**

“There have been 103 recommendations raised this financial year with 65% being lower priority 3 & 2, 74% priority 4, & 31% being medium assurance Healthy Organisation.”

“There have been no non-assurance opinions issued”



## Internal Audit Work Programme

The schedule provided at Appendix B contains a list of all audits as agreed in the Annual Audit Plan 2016/17 and any remaining work from the 2015/16 plan. It is important that Members are aware of the status of all audits and that this information helps them place reliance on the work of Internal Audit and its ability to complete the plan.

Each completed assignment includes its respective “assurance opinion” rating together with the number and relative ranking of recommendations that have been raised with management. In such cases, the Committee can take assurance that improvement actions have been agreed with management to address these. The assurance opinion ratings have been determined in accordance with the Internal Audit “Audit Framework Definitions” as detailed from page 12 of this document.

In circumstances where findings have been identified which are considered to represent significant corporate risks to the Council, due to their importance, these issues are separately summarised in Appendix C. We are pleased to note that there are no significant risks to report this quarter.

To assist the Committee in its important monitoring and scrutiny role, in those cases where weaknesses have been identified in service/function reviews that are considered to represent significant service risks, a summary of the key audit findings that have resulted in them receiving a ‘Partial Assurance Opinion’ have been summarised in Appendix D. There have been no audits reported this quarter that have been so assessed.

Appendix E includes any recommendations made and agreed but which are still outstanding three months after the final report has been issued. Please note action may be outstanding if implementation dates are not yet due. Appendix F includes recommendations made which were not agreed by management, there are three to report.

## Outturn to date:

### Efficiencies and Added Value

**Extra feature(s) of an item of interest (product, service, person etc.) that go beyond the standard expectations and provide something more while adding little or nothing to its cost.**

“Audits have added value through recommending improvements that will deliver more efficient processes.”



### Efficiencies and Added Value

Members requested that we provide them with examples of where we have “added value” to a particular service or function under review. In response to this we have changed our approach and internal processes and will now formally capture at the end of each audit where we have “added value”. The SWAP definition of “added value” is “it refers to extra feature(s) of an item of interest (product, service, person etc.) that go beyond the standard expectations and provide something "more" while adding little or nothing to its cost”. As we complete our operational audit reviews and through our governance audit programmes across SWAP, we seek to bring information and best practice to managers to help support their systems of risk management and control.

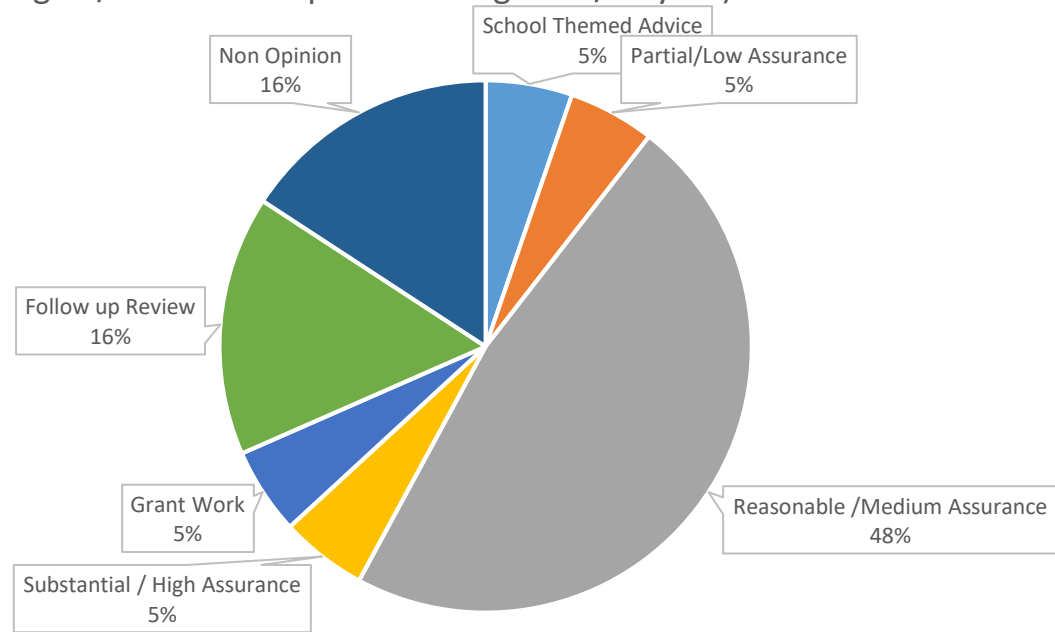
**IDEA – Data Interrogation Software:** Whilst we have been using data interrogation software for many years we are now working closely with the Council to expand its use and value. As an example, we are working with the Head of Procurement to consider duplicate payments and other data interrogation scripts that may add value.

**Benefits Realisation:** During the quarter, we have completed a piece of non-opinion work on Benefits Realisation for the ICT area. There was little to be gained from an opinion based audit at this stage, since the organisation (i.e. not just ICT) acknowledges that it benefits management arrangements need refreshing. It was therefore agreed that, for ICT, a non-opinion piece of work to propose guidelines could usefully inform current working practices and procedures so that the Department is better prepared to comply with whatever approach the Council subsequently adopts.



## Assurance by Category

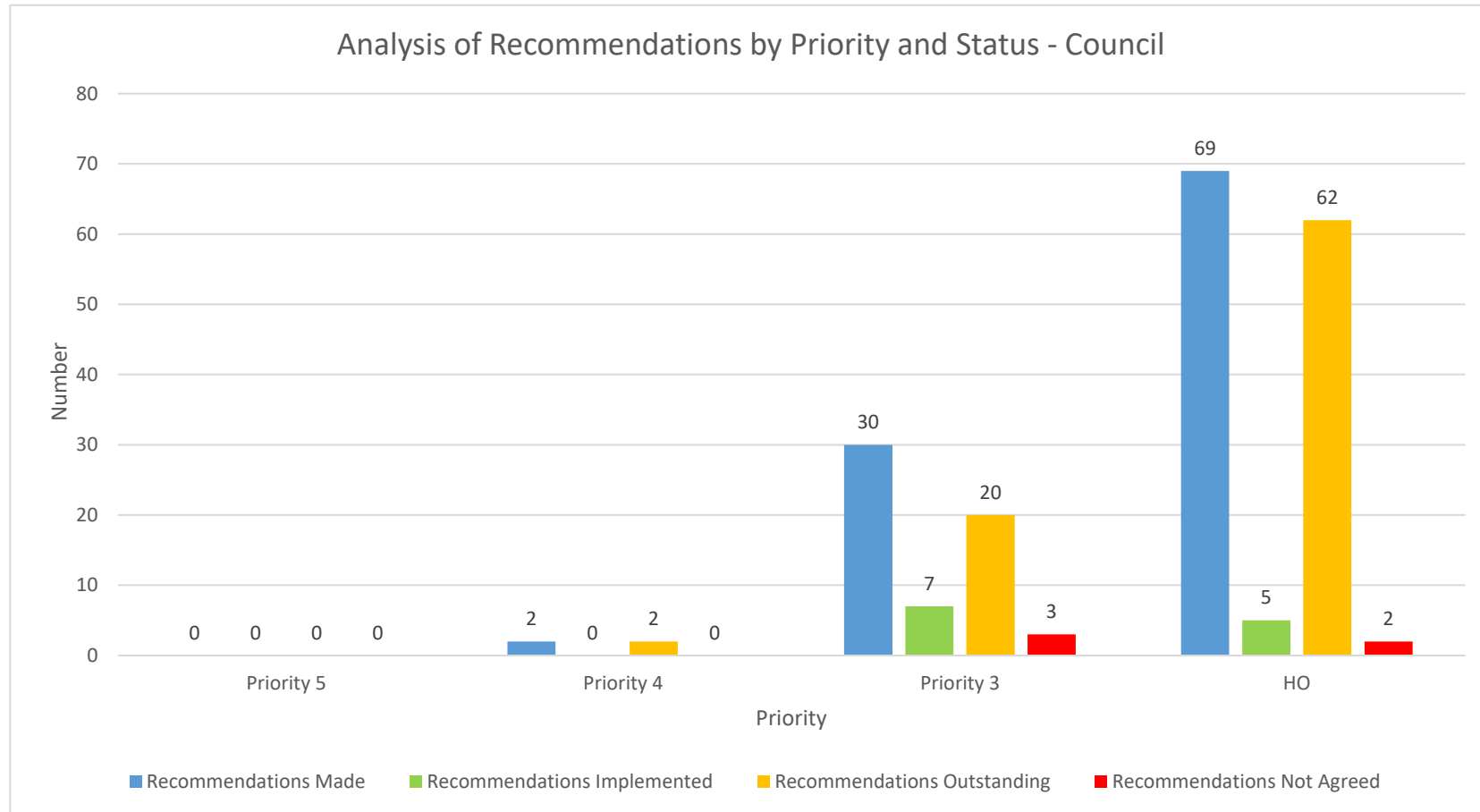
Control Assurance by Category  
(including 15/16 work completed during 2016/17 year)



- School Themed Advice
- Partial/Low Assurance
- Reasonable /Medium Assurance
- Substantial / High Assurance
- Grant Work
- Follow up Review
- Non Opinion

**Summary of Internal Work to Date**

Note: Recommendations are analysed separately between Council services and Schools. Figures include recommendations arising from audit work carried out in 2015/16 and 2016/17 to date.



**Aged Analysis of Recommendations Outstanding 30th September 2016 - Council**

**Priority 5**

Age in days	<30	<60	<90	<120	>120	Total
Totals	0	0	0	0	0	0

**Priority 4**

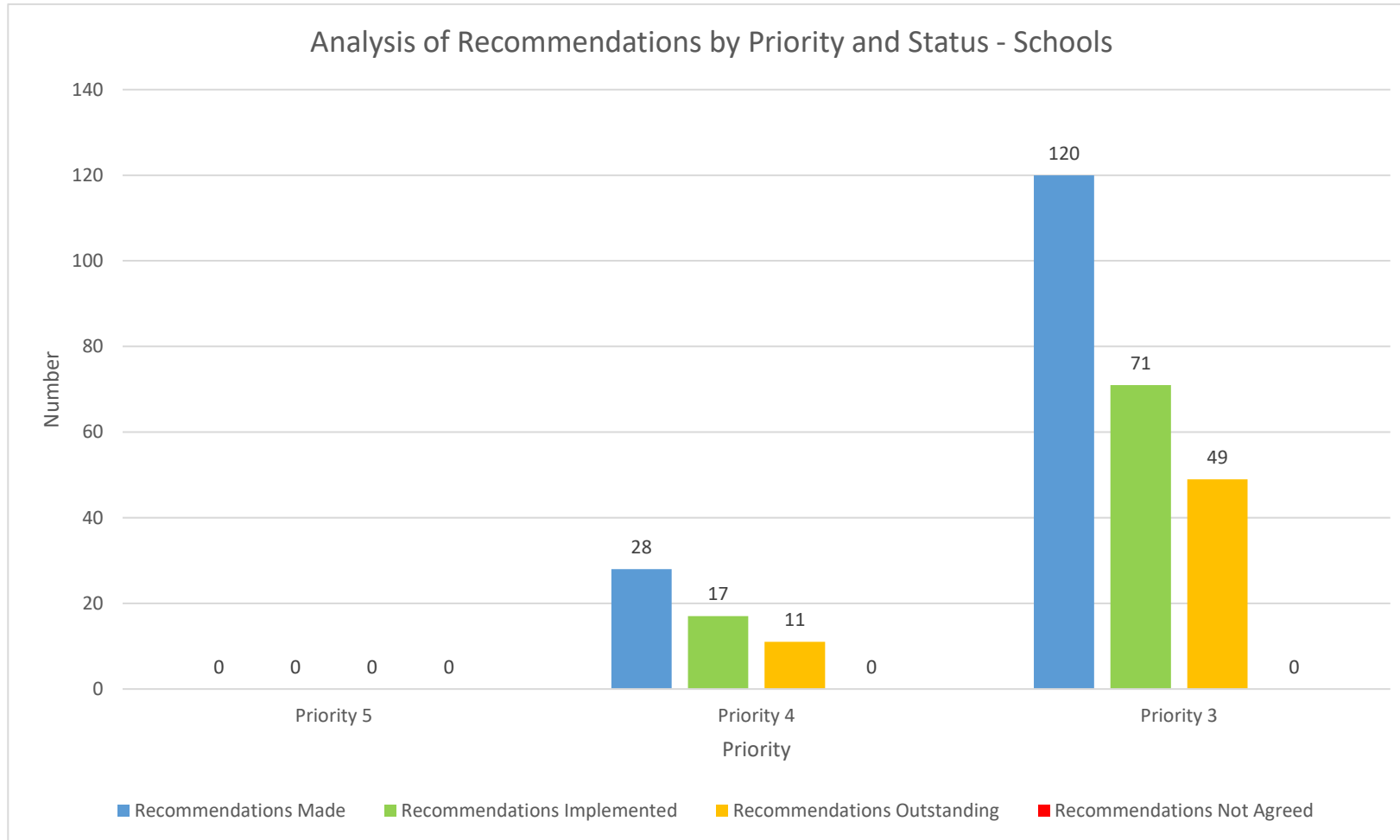
Age in days	<30	<60	<90	<120	>120	Total
Totals	0	0	1	0	1	2

**Priority 3**

Age in days	<30	<60	<90	<120	>120	Total
Totals	0	0	12	0	8	20

**Healthy Organisation**

Age in days	<30	<60	<90	<120	>120	Total
Totals	14	0	14	0	34	62





**Aged Analysis of Recommendations Outstanding @ 30th September 2016 - Schools**

**Priority 5**

Age in days	<30	<60	<90	<120	>120	Total
Totals	0	0	0	0	0	0

**Priority 4**

Age in days	<30	<60	<90	<120	>120	Total
Totals	1	0	0	0	10	11

**Priority 3**

Age in days	<30	<60	<90	<120	>120	Total
Totals	15	0	0	0	34	49

The Chief Executive of SWAP reports performance on a regular basis to the SWAP Management and Partnership Boards.



## SWAP Performance (Quarter 1-2)

SWAP now has 20 partners, including 14 councils and are proud to be a growing partnership.

SWAP performance is subject to regular monitoring review by both the Board and the Members Meeting. The respective performance results for Wiltshire Council for the 2016/17 year so far are as follows:

Performance Target	Average Performance
<b><u>Audit Plan – Percentage Progress</u></b>	
15/16 Percentage completion	100%
16/17 Final/Draft	36%
16/17 In Progress	24%
16/17 Yet to Start	40%
<b><u>Draft Reports</u></b>	
Issued within 5 working days of closeout	57%
Issued within 10 working days of closeout	86%
<b><u>Final Reports</u></b>	
Issued within 10 working days of discussion of draft report.	100%
<b><u>Quality of Audit Work</u></b>	
Customer Satisfaction Questionnaire	90%

The Chief Executive of SWAP reports performance on a regular basis to the SWAP Management and Boards.



## SWAP Performance

At the end of each audit review, a Customer Satisfaction Questionnaire is sent out to the service manager or nominated officer. The aim of the questionnaire is to gauge satisfaction against timeliness; quality; and professionalism. As part of the Balanced Scorecard presented to the SWAP Management Board, a target of 85% is set where 75% would represent a 'good' score. The accumulative feedback over the 2016/17 period for Wiltshire Council is 90%.

We keep our audit plans under regular review, so as to ensure we are auditing the right things at the right time.



### Approved Amendments to Annual Audit Plan 2016/17

Planned audit work is detailed in Appendix B. Audit work remains under constant review to ensure that, if necessary, internal audit resources can also be targeted at emerging issues in a timely manner. Any changes that are required are agreed with the Associate Director Finance (Section 151) and are reported to the Committee.

#### Removed Work (3 items)

1. **BDUK:** We had originally intended to undertake a review of the Council's BDUK arrangements but this was subject to an independent review in the past 12 months which reported favourably. Consequently, we have been able to undertake a review of the Army Basing Programme, a request we received this quarter.
2. **CRC:** In addition, we were informed that we would not be required to assist with the Carbon Reduction Certification (CRC) Grant this year and that budget has been re-assigned to Luckington School following consultation with the School's Finance & Budgetary Control Team.
3. **SFVS:** The same team advised against undertaking the School theme work – SFVS Compliance. The budget has been re-allocated to the school reviews to permit extra auditor testing.

#### Deferred Work (8 items)

Eight audits have been deferred to later date in the 16/17 plan to take advantage of auditor efficiencies arising from undertaking audits in the functional area already that is already subject to review (e.g. financial audits to run alongside existing key financial control audits that occur in January 2017); school themed reviews to commence when all schools have either been or nearing completion.

At the conclusion of audit assignment work each review is awarded a “Control Assurance Definition”;

- Substantial
- Reasonable
- Partial
- None



## Audit Framework Definitions

### Control Assurance Definitions

<b>Substantial</b>		I am able to offer substantial assurance as the areas reviewed were found to be adequately controlled. Internal controls are in place and operating effectively and risks against the achievement of objectives are well managed.
<b>Reasonable</b>		I am able to offer reasonable assurance as most of the areas reviewed were found to be adequately controlled. Generally risks are well managed but some systems require the introduction or improvement of internal controls to ensure the achievement of objectives.
<b>Partial</b>		I am able to offer Partial assurance in relation to the areas reviewed and the controls found to be in place. Some key risks are not well managed and systems require the introduction or improvement of internal controls to ensure the achievement of objectives.
<b>None</b>		I am not able to offer any assurance. The areas reviewed were found to be inadequately controlled. Risks are not well managed and systems require the introduction or improvement of internal controls to ensure the achievement of objectives.

### Categorisation of Recommendations

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. No timeframes have been applied to each Priority as implementation will depend on several factors; however, the definitions imply the importance.

We keep our audit plans under regular review, so as to ensure we are auditing the right things at the right time.



## Audit Framework Definitions

- Priority 5: Findings that are fundamental to the integrity of the unit’s business processes and require the immediate attention of management.
- Priority 4: Important findings that need to be resolved by management.
- Priority 3: The accuracy of records is at risk and requires attention.
- Priority 2: Minor control issues have been identified which nevertheless need to be addressed.
- Priority 1: Administrative errors identified that should be corrected. Simple, no-cost measures would serve to enhance an existing control.

## Definitions of Risk

Risk	Reporting Implications
<b>Low</b>	Issues of a minor nature or best practice where some improvement can be made.
<b>Medium</b>	Issues which should be addressed by management in their areas of responsibility.
<b>High</b>	Issues that we consider need to be brought to the attention of senior management.
<b>Very High</b>	Issues that we consider need to be brought to the attention of both senior management and the Audit Committee.

Line No.	Directorate / Service	Audit Area	Audit Type	Audit Name	Quarter	Status	Opinion	Proposed Draft Report	Draft Issued	Proposed Final	Final Issued	No. of recs	Recommendations					Recommendation Unique Nos: Priority 3,4,5.
													5	4	3	2	HO	
<b>2015/16 AUDITS AT FINAL/COMPLETED (STATUS GREEN)</b>																		
1	*Adult Care Services	Supporting Adults	Follow Up	Court of Protection	15/16	Complete	Follow-up	10/05/2016	17/05/2016	24/05/2016	17/05/2006	9	0	3	6	0	0	26161 (I), 26162 (I), 26566 (I), 26021 (I), 26025(I), 26272 (I), 26567 (I), 26024 (I), 26160(I)
2	*Economic development	Growth Hub	Grant Certification	Extended Growth Hub - BIS Grant	15/16	Compete	Grant	06/05/2016	17/05/2016	20/05/2016	17/05/2016	0	0	0	0	0	0	
3	*Information and communication technology	Information and Communication Technology	ICT	Primary & Secondary Datacentre Review	15/16	Complete	Reasonable	09/06/2016	27/06/2016	27/06/2016	06/07/2016	13	0	1	8	4	0	32562, 32563, 32683, 32587, 32560, 32581, 32582,32590, 32568
4	Schools - Primary (incl First, Infant & Junior)	Westwood with Iford School	School	Westwood with Iford School	15/16	Complete	Reasonable	15/03/2016	01/04/2016	29/03/2016	10/05/2016	13	0	0	9	4	0	31929, 31940, 31941 (I), 31942, 31949, 31950, (I) 31951 (I), 31952, 31953, 31954, 31971, 31972, 37092 (I)
5	*Children and families services	School Themed Reviews (Contingency)	School	Governors Minutes	15/16	Complete	Non Opinion	10/05/2016	07/06/2016	24/05/2016	22/06/2016	0	0	0	0	0	0	
6	*Children and families services	Healthy Organisation	Healthy Organisation	Combined Assurance - Children's Safeguarding	15/16	Complete	High/Substantial Assurance	30/11/2015	01/04/2016	14/12/2015	13/07/2016	14	0	0	0	0	14	32893, 32932, 32933, 32934, 32935, 32936, 32937, 32938, 32939, 32940, 32941, 32942, 32943, 32944,
7	*Transport and infrastructure	Healthy Organisation	Healthy Organisation	Highways	15/16	Complete	Medium/Reasonable Assurance	26/01/2016	03/03/2016	09/02/2016	06/07/2016	7	0	0	0	0	7	32894 (I), 32895 (I), 32896 (I), 32897, 32898, 32899, 32802
8	*Economic development	Healthy Organisation	Healthy Organisation	Economic Development	15/16	Final	Medium/Reasonable Assurance	08/03/2016	03/03/2016	22/03/2016	27/09/2016	11	0	0	0	0	11	32596 (I), 32573, 32574, 32600, 32575, 32598, 32597, 32576, 32595, 32578, 32577
												67	0	4	23	8	32	<b>TOTAL RECOMMENDATIONS MADE</b>
<b>2015/16 AUDITS AT DRAFT /DISCUSSION PAPER (STATUS AMBER)</b>																		
9	*Information and communication technology	Strategy and Governance	Governance, Fraud & Corruption	ICT Healthcheck	15/16	Draft		06/05/2016	29/07/2016	20/05/2016								This audit was delayed until the completion of the Healthy Organisation corporate review since findings across 8 Key Lines of Enquiry (KLOE) had implications for this work.
<b>2016/17 AUDITS AT FINAL/COMPLETED (STATUS GREEN)</b>																		
10	*Adult care services	Supporting adults	Operational	Adult Care - Deferred payments - WC	April 2016	Completed	Reasonable	02/09/2016	08/09/2016	16/09/2016	09/09/2016	1	0	0	1	0	0	33376
11	Schools - Primary (incl First, Infant & Junior)	Alderbury & West Grimstead CofE Primary School	Follow Up	Alderbury & West Grimstead CofE Primary School - WC	July 2016	Completed	Follow up	N/A	N/A	N/A	26/07/2016	0	0	0	0	0	0	Two recommendations remain outstanding from the original audit, Nos. 31174, 31286
12	*Information and communication technology	System support	ICT	Incident & Problem Management - WC	April 2016	Completed	Reasonable	13/07/2016	12/07/2016	27/07/2016	25/07/2016	6	0	0	6	0	0	32803, 32811, 32844, 32994, 33096, 33097
13	*Transport and infrastructure	Public transport	Grant Certification	Local Authority Bus Subsidy - WC	July 2016	Completed	Reasonable	09/09/2016	20/09/2016	23/09/2016	21/09/2016	0	0	0	0	0	0	
14	*Public Health	Public Health	Grant Certification	Public Health Grant - WC	July 2016	Completed	Reasonable	09/09/2016	20/09/2016	23/09/2016	21/09/2016	0	0	0	0	0	0	

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													5	4	3	2	HO	
15	*Information and communication technology	ICT Service Delivery	ICT	Benefits Management Arrangements - WC	April 2016	Completed	Non-opinion	13/07/2016	15/07/2016	27/07/2016	20/07/2016	0	0	0	0	0	0	
16	*Economic development	Sustainability		Army Basing Programme - WC	April 2016	Final	Non-opinion	19/07/2016	25/07/2016	02/08/2016	02/08/2016	0	0	0	0	0	0	
17	Schools - Primary (incl First, Infant & Junior)	Pitton CofE Voluntary Aided Primary School	School	Pitton CofE Voluntary Aided Primary School - WC	April 2016	Final	Reasonable	01/08/2016	09/09/2016	15/08/2016	29/09/2016	13	0	1	6	6	0	33361, 33315, 33313, 33312, 33311 (I), 33309 (I), 33304
36	Schools - Primary (incl First, Infant & Junior)	Hilpertown CofE Voluntary Controlled Primary School	Follow Up	Hilpertown CofE Voluntary Controlled Primary School	July 2016	Final	Follow up	N/A	N/A	N/A	29/09/2016	0	0	0	0	0	0	One recommendation remains outstanding from the original audit, No. 30430
23	Schools - Primary (incl First, Infant & Junior)	Bishops Cannings CofE (Aided) Primary School	School	Bishops Cannings CofE (Aided) Primary School - WC	July 2016	Final	Partial	23/08/2016	14/09/2016	06/09/2016	29/09/2016	16	0	0	12	4	0	33479, 33480, 33502, 33494, 33486, 33486, 33485, 33483, 33482, 33481, 33491 (I), 33492 (I)
<b>TOTAL RECOMMENDATIONS MADE</b>												36	0	1	25	10	0	
<b>2016/17 AUDITS AT DRAFT /DISCUSSION PAPER - NO ISSUES TO REPORT (STATUS GREEN)</b>																		
18	*Adult care services	Supporting adults	Healthy Organisation	Adults Safeguarding	April 2016	Draft		19/07/2016	27/07/2016	02/08/2016								
19	Schools - Primary (incl First, Infant & Junior)	Staverton CofE Voluntary controlled Primary School	School	Staverton CofE Voluntary Controlled Primary School	April 2016	Draft		19/07/2016	21/07/2016	02/08/2016								The response to draft reports from schools is affected by the school summer holiday period
20	*Children and families services	Early Years	Operational	Early Years Funding - WC	April 2016	Draft		09/08/2016	18/08/2016	23/08/2016								
21	*Finance	Payroll and pensions	Operational	Pensions Administration Review - WC	April 2016	Draft		02/09/2016	27/09/2016	16/09/2016								
22	*Council property	Maintenance of council property	Operational	Vehicle Workshops - WC	April 2016	Draft		14/09/2016	22/09/2016	28/09/2016								
24	Schools - Primary (incl First, Infant & Junior)	Chirton CofE Voluntary Controlled Primary School	School	Chirton CofE Voluntary Controlled Primary School - WC	April 2016	Draft		26/07/2016	09/09/2016	09/08/2016								The response to draft reports from schools is affected by the school summer holiday period
25	Schools - Primary (incl First, Infant & Junior)	St Andrew's CofE Voluntary Aided Primary School,	School	St Andrew's CofE Voluntary Aided Primary School, Laverstock - WC	July 2016	Draft		16/08/2016	14/09/2016	30/08/2016								The response to draft reports from schools is affected by the school summer holiday period
26	Schools - Primary (incl First, Infant & Junior)	St Barnabas CofE School, Market Lavington	School	St Barnabas CofE School, Market Lavington - WC	April 2016	Draft		09/08/2016	09/09/2016	23/08/2016								The response to draft reports from schools is affected by the school summer holiday period
27	Schools - Primary (incl First, Infant & Junior)	Luckington Community School	School	Luckington Community School - WC	July 2016	Draft		24/08/2016	23/09/2016	07/09/2016								The response to draft reports from schools is affected by the school summer holiday period.
28	*Public Health	Public Health	Operational	Income Management & Public Protection - WC	July 2016	Discussion Document		07/10/2016		21/10/2016								Waiting for a response from the service to an appointment request.



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													5	4	3	2	HO	
29	*Leisure and culture	Sports facilities	Operational	Leisure Centre Income Management - WC	April 2016	Discussion Document		07/07/2016		21/07/2016								Discussion of this work has been delayed by the annual leave arrangements of both the client officer and the auditor.
<b>2016/17 AUDITS IN PROGRESS (STATUS AMBER)</b>																		
30	Schools - Secondary (incl Upper)	Abbeyfield School	Follow Up	Abbeyfield School	July 2016	Fieldwork Completed												Discussions between the school & S151 are in progress regarding the school's finances.
31	*Human resources	Recruitment	Governance, Fraud & Corruption	Human Resources Security	July 2016	In Progress												Unable to arrange appointment with the service to initiate the work.
<b>2016/17 AUDITS IN PROGRESS - NO ISSUES TO REPORT (STATUS GREEN)</b>																		
32	*Housing	Housing Repairs	Operational	Housing Repairs	April 2016	In Progress		20/09/2016		04/10/2016								Audit commenced June 2016 2016, fieldwork well underway, but has been delayed by staff sickness.
33	*Management	Project management	Governance, Fraud & Corruption	Project Management Arrangements	April 2016	In Progress												Audit has commenced but awaiting ToR agreement by Council before setting dates.
34	*Information and communication technology	Business Continuity and Disaster Recovery	ICT	Business Continuity & Disaster Recovery	July 2016	In Progress		09/09/2016		20/09/2016								Work in progress but delayed by other priorities.
35	Schools - Primary (incl First, Infant & Junior)	Grove Primary School	Follow Up	Grove Primary School	July 2016	In Progress		N/A	N/A	N/A								Follow up action plan was issued in June, Deadline for submission of evidence extended until 25th July at request of school - new School Admin. Officer just appointed.
37	Schools - Primary (incl First, Infant & Junior)	St Nicholas CofE Primary School, Porton	Follow Up	St Nicholas CofE Primary School, Porton	July 2016	In Progress		N/A	N/A	N/A								Follow up action plan issued in June, deadline for submission of evidence (6/7/16). School has been chased.
38	*Healthy Organisation	Assurance Mapping	Advice	Assurance Map Update - WC	April 2016	In Progress		No report issued for this work										
39	*Planning and building control	Building control	Operational	Income Management - Building Control & Planning - WC	July 2016	In Progress		27/10/2016		10/11/2016								
40	*Legal services	Land registration	Operational	Land Charges - WC	July 2016	In Progress		07/11/2016		21/11/2016								
41	*Housing	Housing stock	Operational	Right to Buy - WC	July 2016	In Progress		17/11/2016		01/12/2016								
42	*Children and families services	Troubled Families	Grant Certification	Troubled Families PBR Certification - WC	January 2017	In Progress												This work is ongoing throughout the year, whenever a claim is due to be submitted.
43	Schools - Primary (incl First, Infant & Junior)	Box CofE Primary School	School	Box CofE Primary School - WC	October 2016	In Progress												Pre-audit work completed. Dates of visit yet to be agreed.
44	Schools - Primary (incl First, Infant & Junior)	Harnham CofE Controlled Junior School	School	Harnham CofE Controlled Junior School - WC	October 2016	In Progress												Pre-audit work completed. Dates of visit yet to be agreed.
45	Schools - Primary (incl First, Infant & Junior)	Ivy Lane Primary School	School	Ivy Lane Primary School - WC	January 2017	In Progress												Pre-audit work completed. Dates of visit yet to be agreed.



Line No.	Directorate / Service	Audit Area	Audit Type	Audit Name	Quarter	Status	Opinion	Proposed Draft Report	Draft Issued	Proposed Final	Final Issued	No. of recs	Recommendations					Recommendation Unique Nos: Priority 3,4,5.
													5	4	3	2	HO	
66	*Economic development	Local Enterprise Partnerships	Governance, Fraud & Corruption	LEP Governance Arrangements - WC	October 2016	Created												
67	*Transport and infrastructure	Public transport	Grant Certification	Local Transport Settlement - WC	July 2016	Created												
68	*Finance	National taxation	Key Control	NNDR - WC	October 2016	Created												
69	*Finance	National taxation	Operational	NNDR (Business Rates) Arrangements - WC	January 2017	Created												
70	*Children and families services	School Themed Reviews (Contingency)	School	Overall Report on Compliance - WC	January 2017	Created												
71	*Finance	Payroll and pensions	Key Control	Payroll - WC	October 2016	Created												
72	*Finance	Payroll and pensions	Key Control	Pensions - WC	October 2016	Created												
73	*Healthy Organisation	Management	Governance, Fraud & Corruption	Performance & Risk Management - WC	July 2016	Created												
74	*Public Health	Public Health	Operational	Pharmoutcomes & SAP - WC	July 2016	Created												
75	*Children and families services	School Support & Advice	School	Right Choice - WC	October 2016	Created												
76	*Children and families services	Child protection	Follow Up	Safeguarding - WC	January 2017	Created												
77	*Housing	Estate management	Governance, Fraud & Corruption	Safeguarding Assets & New Homes Bonus - WC	July 2016	Created												
78	*Children and families services	School Support & Advice	School	School Liaison & Support Arrangements Review - WC	January 2017	Created												
79	*Procurement	Contracting	Governance, Fraud & Corruption	Service Area Specialist Commissioning - WC	October 2016	Created												
80	Schools - Primary (incl First, Infant & Junior)	St Mary's CoFE Infant School Marlborough	School	St Mary's CoFE Infant School Marlborough - WC	January 2017	Created												
81	*Information and communication technology	Threat and Vulnerability Management	ICT	Threat Management - WC	October 2016	Created												
82	*Finance	Treasury Management	Key Control	Treasury Management - WC	January 2017	Created												
83	*Information management	Access to information	ICT	User Access Controls - WC	July 2016	Created												
84	Schools - Primary (incl First, Infant & Junior)	Whiteparish All Saints CoFE Primary School	School	Whiteparish All Saints CoFE Primary School - WC	January 2017	Created												
2016/17 AUDITS AT DEFERRED OR REMOVED (STATUS GREEN)																		
85	*Children and families services	School Themed Reviews (Contingency)	School	School Theme - SFVS Compliance Review	April 2016	Removed												This is no longer required by Accounting & Budget Support. The budget has been reassigned to an perform an additional testing in schools to be visited in 16/17.

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Line No.	Directorate / Service	Audit Area	Audit Type	Audit Name	Quarter	Status	Opinion	Proposed Draft Report	Draft Issued	Proposed Final	Final Issued	No. of recs	Recommendations					Recommendation Unique Nos: Priority 3,4,5.
													5	4	3	2	HO	
86	*Economic development	Regeneration	Operational	BDUK	April 2016	Removed												Not required by client -BDUK subject to independent review in 2015. Budget allocated to Army Basing Programme review.
87	*Economic development	Sustainability	Grant	Carbon Reduction Scheme Certification (CRC) Grant	April 2016	Removed												Not required by client, budget now allocated to new school review (Luckington School)
88	*Economic development	Growth Hub	Grant Certification	Chippenham Station Hub Grant	July 2016	Removed												Not required during 2016/17 as project is not yet underway.
89	*Healthy Organisation	Finance	Operational	Budget Management Arrangements	October 2016	Deferred												Audit deferred until Quarter 4 (16/17) and to coincide with Financial key control work which will inform this review.
90	*Healthy Organisation	Finance	Operational	Financial Regulations Compliance	October 2016	Deferred												Audit deferred until Quarter 4 (16/17) and to coincide with Financial key control work which will inform this review.
91	*Healthy Organisation	Management	Governance, Fraud & Corruption	Corporate Governance Framework Review	April 2016	Deferred												Audit deferred until Quarter 4 (16/17) and to coincide with Financial key control work which will inform this review.
92	*Healthy Organisation	Management	Governance, Fraud & Corruption	Decision Making	July 2016	Deferred												Audit deferred until Quarter 3 (16/17) and to be progressed in tandem with service level decision making audit - see below.
93	*Healthy Organisation	Management	Operational	Decision Making - Service Level	July 2016	Deferred												See above.
94	*Children and families services	School Themed Reviews (Contingency)	School	School Themed Review Contingency <i>(subject yet to be determined)</i>	April 2016	Deferred												Audit deferred until Quarter 4 16/17 until all schools have been completed.
95	*Children and families services	School Themed Reviews	School	School Theme - Procurement	July 2016	Deferred												Audit deferred until Quarter 4 16/17 until all schools have been completed.
96	*Economic development	Growth Hub	Grant Certification	Growth Hub	July 2016	Deferred												Audit work is not required until the end of quarter 4, 2016/17.
2016/17 CLIENT SUPPORT																		
97	Client Support	Committee Reporting & Attendance	Advice	Audit Committee / Member Liaison				ALL YEAR										
98	Client Support	Corporate Advice	Advice	Corporate Advice				ALL YEAR										
99	Client Support	External Audit	Advice	External Audit				ALL YEAR										
100	Client Support	Planning/Client Liaison	Advice	Planning/Client Liaison				ALL YEAR										
101	Client Support	Corporate Advice	Advice	Assurance Group Attendance				ALL YEAR										
102	Client Support	Corporate Advice	Advice	Corporate Fraud Team Liaison				ALL YEAR										
103	Client Support	Investigations	Advice	Special Investigations Contingency				ALL YEAR										

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													5	4	3	2	HO	
104	Client Support	Corporate Advice	Advice	CLT Attendance	ALL YEAR													
105	Client Support	Contingency	Non Opinion	Non Opinion Contingency	ALL YEAR													
106	Client Support	Follow Up (Contingency)	Follow Up	Follow Up Contingency	ALL YEAR													
107	Client Support	Investigations (Contingency)	Governance, Fraud & Corruption	Fraud Contingency	ALL YEAR													

**Schedule of Potential Significant Risks Identified from Internal Audit Work**

NEW RISKS IDENTIFIED DURING THE PERIOD 1st April 2016 TO 30<sup>th</sup> September 2016

There were no significant risks identified from internal audit during this period.

**Summary of Key Points Relating to “Partial Assurance” Reviews**

AUDIT TITLE	SIGNIFICANT AUDIT FINDINGS	KEY ACTIONS AGREED BY SERVICE	DATES OF AGREED IMPLEMENTATION	DATE OF PROGRAMMED FOLLOW UP AUDIT
<p>School Financial Health Check – Bishops Canning School</p>	<p>This opinion reflects the number of recommendations made in the action plan and also the audit assessment of residual risk.</p> <p>Recommendations were made regarding the Governing Body, specifically the need for Governors to improve evidence of their understanding of their delegated authority and their challenge of the financial position of the school.</p> <p>Other recommendations were made to improve the way the school evidences value for money.</p> <p>Recommendations were also are made in respect of improving controls over bank records; the purchasing process; income security and the management of the Business Card.</p>	<p>The School will update its Scheme of Delegation.</p> <p>Governors Meeting minutes will be accessible at the School.</p> <p>Finance reports will be regularly produced for and reviewed by the Finance Committee with their discussions clearly documented.</p> <p>All appropriate official orders will be recorded through SIMs.</p> <p>Procedures for card usage &amp; its monitoring will be updated.</p> <p>Banking of income with be undertaken regularly.</p>	<p>Sept – Oct 16</p>	<p>April 2017</p>

Data revision date: 30 September 2016

Assigned to	Final Report Issue Date	Age Analysis	Description	Priority	Unique Reference	Target Implementation Date	Current Position
<b>Accounts Payable</b>							
WUC Associate Director - Finance (Section 151 Officer)	13/04/2016	120+	In one case a payment requests form had been processed for services without a invoice or equivalent confirming that the service had been carried out increasing the potential for fraud.	3	31595	31/03/2016	Up to date response requested - waiting for a reply from the service.
WUC Associate Director - Finance (Section 151 Officer)	13/04/2016	120+	Evidence of additional tests for processing changes to Vendor bank details is not kept.	3	31426	31/03/2016	Up to date response requested - waiting for a reply from the service.
WUC Associate Director - Finance (Section 151 Officer)	13/04/2016	120+	Although it could be seen that the monthly exception reports had been created, it was difficult to evidence that reviews of them had been undertaken.	3	31425	31/03/2016	Up to date response requested - waiting for a reply from the service.
<b>Accounts Receivable</b>							
WUC Associate Director - Finance (Section 151 Officer)	13/04/2016	120+	Review of the processes adopted by service areas for raising invoices	4	31437	31/07/2016	Service advises that a revised Debt Management Policy will be presented to Cabinet for approval shortly. Once the policy is approved procedures and guidance will be revised.
<b>Housing Rents 2015-16</b>							
WUC Associate Director - Finance (Section 151 Officer)	13/04/2016	120+	Current and former tenants credit balances are not always investigated in a timely manner and evidence of a review is not retained.	3	31805	31/03/2016	Still Outstanding. Draft Corporate income strategy has been produced - however until formally adopted, the Service is unable to finalise Former Tenant Arrears and Write Off procedures.
WUC Associate Director - Finance (Section 151 Officer)	13/04/2016	120+	Procedures for former tenant arrears trace and legal action have been drafted but not formally adopted. Additionally, while balances have reduced this year, the outstanding balance remains significant for the service.	3	31803	01/04/2017	
<b>Pension Fund</b>							
WUC Associate Director - Finance (Section 151 Officer)	13/04/2016	120+	The last full reconciliation between Altair and Pensions Payroll records and balances was undertaken in 2011.	3	31752	01/12/2016	Up to date response requested - waiting for a reply from the service (deadline 4/10/16).
WUC Associate Director - Finance (Section 151 Officer)	13/04/2016	120+	Reconciliations and checks between Altair and the SAP Pension Payroll / GL data have been delayed. Average delays were noted between the period end and recorded checked date from 28 to 61 working days.	3	31646	01/06/2016	Up to date response requested - waiting for a reply from the service (deadline 4/10/16).



Outstanding Audit Recommendations - September 2016 - Schools

APPENDIX F

Data revision date: 30 September 2016

Assigned to	Final Report Issue Date	Age Analysis	Description	Priority	Unique Reference	Target Implementation Date	Current Position
<b>Abbeyfield School</b>							
WUC Associate Director - Finance (Section 151 Officer)	15/03/2016	120+	4.1a Reporting of the School's financial position and challenge by the Governors has not been consistent over the past year.	4	30253	15/03/2016	Discussions between the school & S151 are in progress regarding development of the School's recovery plan. Follow up report currently in draft.
WUC Associate Director - Finance (Section 151 Officer)	15/03/2016	120+	3.1a The school's deficit has resulted in significant cash flow problems more recently which has risked inability to pay staff.	4	30522	15/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	15/03/2016	120+	3.1b The School's deficit budget plan has not yet been formally approved by Wiltshire Council although the School faces significant long term problems with recovery.	4	30523	15/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	15/03/2016	120+	4.1b Evidence of tracking progress against the School's deficit recovery is also not transparent from review of the Finance & Resources Committee minutes.	4	30254	09/12/2015	
WUC Associate Director - Finance (Section 151 Officer)	15/03/2016	120+	6.1a The Governor's minutes did not evidence authorisation of a tender or the basis of selection.	3	30257	09/12/2016	
<b>Alderbury &amp; West Grimstead CofE Primary School</b>							
WUC Associate Director - Finance (Section 151 Officer)	02/02/2016	120+	7.1a Benchmarking analysis has not been carried out.	3	31286	31/03/2016	See Appendix B - The School has already been subject to Follow Up review. This resulted in closure of all priority 4 and seven priority 3 recommendations. Additional Follow up of remaining two recommendations instigated 03.10.16
WUC Associate Director - Finance (Section 151 Officer)	02/02/2016	120+	13.1a The School does not as a rule check evidence of self-employment before paying individuals outside of the payroll.	3	31174	29/02/2016	
<b>Grove Primary School</b>							
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	12.2a The authorisation stamp applied to invoices does not require anyone to sign it confirming goods / services match the order.	3	31067	10/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	12.4a The authorisation stamp does not provide evidence of a separation of duties.	3	31068	10/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	14.2a The School's Charging and Remissions Policy lacks specific detail.	3	31070	10/03/2016	

Assigned to	Final Report Issue Date	Age Analysis	Description	Priority	Unique Reference	Target Implementation Date	Current Position
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	15.2a No clear evidence that the monthly sums collected reconcile to the sums deposited at the bank and reconciliations are not verified.	3	31071	10/03/2016	Follow up action plan was originally issued in June and the deadline for submission of evidence was extended until 25th July at request of school. Delays resulted from significant changes from staff restructuring. The School has now responded following issue of reminders. Supporting evidence is currently being reviewed and a Follow Up Reported drafted.
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	12.6a There is no evidence of a clear separation of duties over the checking and reconciling of the charge card payments.	3	31076	10/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	15.1a Banking visits have extended beyond weekly, and increased amount of cash deposited beyond the safe limits.	3	31073	10/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	14.1a Income is recorded on SIMs FMS days after being banked.	3	31074	10/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	1.1a The Scheme of Delegation does not provide for the Governors to maintain oversight of the School's budget throughout the year.	4	31084	01/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	2.3a The School's Whistleblowing policy could be made more widely available.	3	31065	01/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	13.1a The School does not seek evidence to confirm individuals claiming to be self-employed before paying them outside of the payroll.	3	31072	10/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	11.1a It is not clear at what limit a minimum of three quotes are required or a service is put out to tender.	3	31063	10/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	12.3a An invoice was not certified for payment.	3	31069	10/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	11.2a The School needs to be able to demonstrate that at least three quotes are obtained and how services are put out to tender.	3	31061	10/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	12.1a Official orders are not always raised in SIMS FMS.	3	31062	10/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	1.2b Signed Governors' minutes were not available at the School for inspection and there were two sets of minutes with the same date.	3	31052	01/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	1.2a There was no diary of meeting dates set in advance for the year.	3	31053	01/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	4.1a It is not clear from the Governors' minutes whether the Governing Body formally approved the budget template in June 2015.	3	31055	01/03/2016	

Assigned to	Final Report Issue Date	Age Analysis	Description	Priority	Unique Reference	Target Implementation Date	Current Position
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	1.1b The Scheme of Delegation should make clear the Governing Body responsibility to approve purchases / contracts above the stated threshold.	3	31051	01/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	5.1a Lack of evidence to demonstrate regular and timely budget monitoring.	4	31057	01/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	5.2a The budget monitoring report is not titled or does not specify the period it covers.	3	31058	01/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	7.1a Benchmarking analysis from the financial benchmarking website which has been presented to the Governors for their consideration was not evident.	3	31059	01/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/03/2016	120+	4.2a A potential cash shortage is forecast.	3	31056	01/03/2016	
<b>Hilperton CofE Voluntary Controlled Primary School</b>							
WUC Associate Director - Finance (Section 151 Officer)	14/12/2015	120+	11.1a The Headteacher does not reconcile sums collected to sums deposited at the bank.	4	30430	15/12/2015	See Appendix B - The School has been the subject of a Follow Up review (Final Report issued 29/9/16), but this recommendation remains outstanding.
<b>Lacock CofE Primary School</b>							
WUC Associate Director - Finance (Section 151 Officer)	02/02/2016	120+	The School has not set an expenditure threshold above which contracts are put to tender.	3	31114	31/03/2016	Follow up Action Plan has been issued (30/9/16) and a response is awaited (due 7/10/16).
WUC Associate Director - Finance (Section 151 Officer)	02/02/2016	120+	The Governors have not approved financial limits above which a minimum number of quotations are to be obtained.	3	31117	31/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	02/02/2016	120+	Official orders are not always raised.	3	31144	01/09/2016	

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Assigned to	Final Report Issue Date	Age Analysis	Description	Priority	Unique Reference	Target Implementation Date	Current Position
<b>St Nicholas CofE Primary School, Porton</b>							
WUC Associate Director - Finance (Section 151 Officer)	13/04/2016	120+	The School does not as a rule check evidence of self-employment before paying individuals outside of the payroll.	3	30480	30/06/2016	Follow up action plan issued in June, deadline for submission of evidence (6/7/16) was missed and thus School chased. Chair of Governors has responded, however there have been delays with submission of supporting evidence as a result of the Headteacher's absence.  Additional Accounting & Budget Support team has recently allocated resource to assist the School during this time and to facilitate collation of the evidence to support progress to date.
WUC Associate Director - Finance (Section 151 Officer)	13/04/2016	120+	A separation of duties is not operated over the collection, recording and banking of income.	4	30470	31/01/2016	
WUC Associate Director - Finance (Section 151 Officer)	13/04/2016	120+	There was a lack of evidence to demonstrate that tendering is applied to purchases above a predetermined limit.	3	30471	30/09/2016	
WUC Associate Director - Finance (Section 151 Officer)	13/04/2016	120+	Financial limits for seeking quotes and going to tender is not stated in the Scheme of Delegation.	3	30474	30/09/2016	
WUC Associate Director - Finance (Section 151 Officer)	13/04/2016	120+	Lack of controls over management of the After School Club budget resulting in overspend.	4	30957	21/03/2016	
WUC Associate Director - Finance (Section 151 Officer)	13/04/2016	120+	The School has not set up a Business Register.	4	30450	30/06/2016	
<b>Westwood with Iford School</b>							
WUC Associate Director - Finance (Section 151 Officer)	10/05/2016	120+	11.1a Financial limits for seeking quotes and going to tender are not stated in the Scheme of Delegation.	3	31953	01/06/2016	Follow up Action Plan has been issued on 30/09/16 and a response is awaited (due 7/10/16).
WUC Associate Director - Finance (Section 151 Officer)	10/05/2016	120+	1.1a The financial thresholds for delegated authority are not clearly stated in the School's Scheme of Delegation.	3	31929	01/06/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/05/2016	120+	4.1a It is not clear from Governors' minutes whether the Governing Body approved the annual budget.	3	31940	01/05/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/05/2016	120+	15.1a Banking is undertaken, on average, every 3 weeks.	3	31952	01/05/2016	
WUC Associate Director - Finance (Section 151 Officer)	10/05/2016	120+	2.1a The Business Register declaration forms were not available for inspection at the time of the audit visit.	3	31971	01/05/2016	

**Audit Recommendations Not Agreed**  
**(since last report to Audit Committee)**

No.	Assigned To	Final Report Issue Date	Description	Priority	Unique Reference	Target Imp. Date	Management Responses
1	Head of Economic Regeneration	27/09/2016	The SMT does not have a terms of reference document - I recommend that the SMT draws up a terms of reference document setting out its aims and objectives, role and responsibilities.	HO	32594	N/A	Not agreed – standing agenda items in place
2	Head of Economic Regeneration	27/09/2016	The service do not routinely calculate and present project benefit realisation in financial terms - I recommend that the service calculate and present project benefit realisation in financial terms in order to provide a means of measuring project success.	HO	32599	N/A	Impractical for all projects

**Executive Summary –  
Corporate (Final)**



**SWAP**

**SOUTH WEST AUDIT PARTNERSHIP**

Delivering Audit Excellence

**Wiltshire Council  
Combined Assurance - Healthy  
Organisation**

*Working in partnership with*



**Date of Report:** 29<sup>th</sup> September 2016

**Issued by:** David Hill  
Executive Director SWAP

## 1.0 Background

During the annual Internal Audit planning process of 2014/15 a review was undertaken to consider how internal audit could become more effective in supporting organisational continuous improvement. Wiltshire Council has undergone significant transformational change and continues this path.

The Internal Audit plan at that time had over 100 audits to deliver and it had become apparent that progression of the plan was challenging due to the pace of organisational change. The audit plan needed refocus and the concept of the Healthy Organisation (Combined Assurance) was introduced.

The Healthy Organisation approach, whilst a new concept when introduced at Wiltshire Council is now being undertaken at six of SWAP's other partners. SWAP are also working alongside other Local Authorities to introduce and where applicable refine the approach.

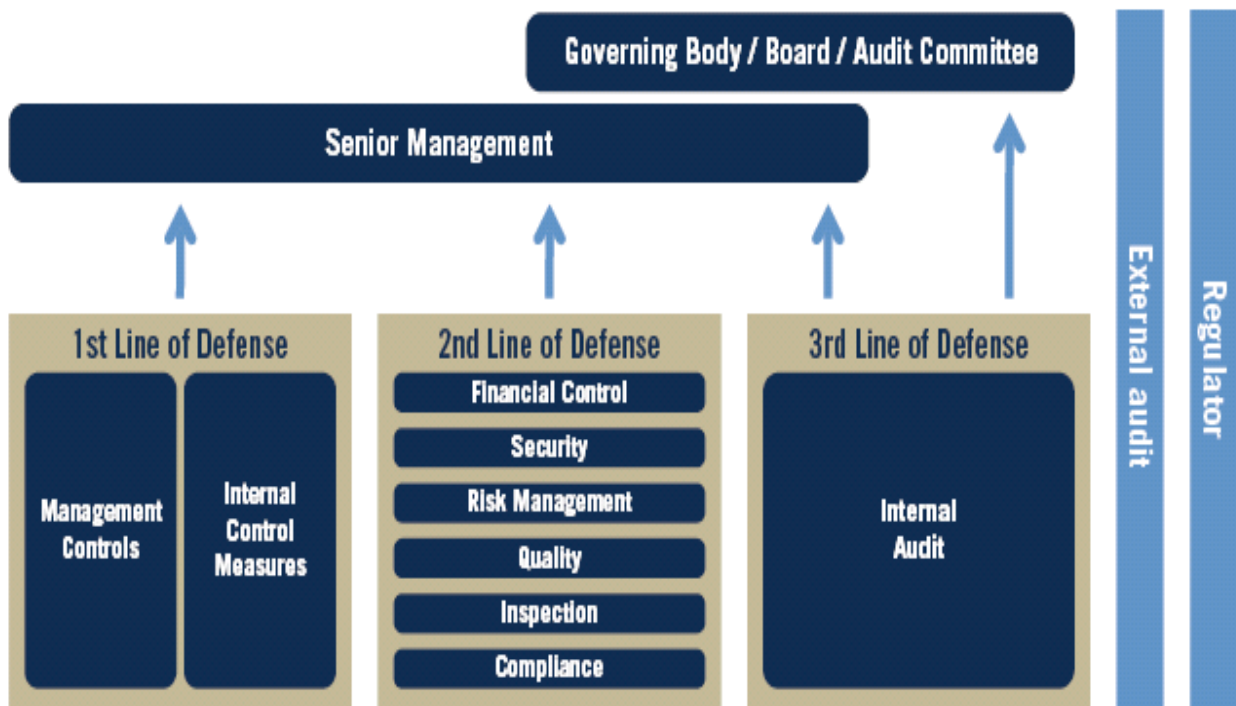
## 2.0 Introduction

The purpose of combined assurance is to provide an insight to Senior Management and the Audit Committee on assurance across all critical activities and key risks of the Council, and identify areas that we believe assurance or process could be improved. Working closely with Management and using the Healthy Organisation eight Key Lines of Enquiry (or themes), we have looked for gaps in assurance to help us identify potential areas for improvement. This undertaking has involved gathering and analysing assurance information within the Council's control environment that:

- encourages accountability with those responsible for managing their services (see Figure 1 below); and
- has involved review of relevant evidence as well as discussion with Senior Management.

The outcome was presented as a series of joint reports culminating in an agreed Improvement Plan which may result in further internal audit work or action taken by management itself.

The Institute of Internal Auditors issued a report entitled "the three lines of defence in effective risk management and control". This provides a helpful model for clarifying response at both an operational and strategic level. Within this model, management control is seen as the first line of defence, the various risk control and compliance over-sight functions established by management act as the second line of defence (for instance, risk registers), whilst the third is provided by independent assurance through internal audit work. Senior management and elected members sit above the model, with a key role and accountability for setting and aligning the culture through the behaviours framework, organisational objectives, defining strategies, policy and procedures and at the same time providing active scrutiny and challenge to achieve assurance. Please see Figure 1 below.





### 3.0 The Council

Wiltshire Council serves a community of approximately 474,300 people and employs around 4,800 officers, not including those staff employed in schools. Each year it is responsible for providing over 350 services to the community which are funded by a gross annual revenue, housing, capital and schools budget of approximately £900 million. The Council was constituted in 2009 from the former County Council and four district councils and, as a unitary body, it has been able to rationalise the combined estate into three administrative hubs and consolidate its services. This reorganisation supports the delivery of the Council's Business Plan (2013-17) which identified the need for budget cuts of £120 million over the same period.

The organisation is led by a leadership model that replaced the Chief Executive role with a team of 3 Corporate Directors, who comprise the Corporate Leadership Team (CLT). They are supported by 13 Associate Directors. The Council sets the budget and policy framework and within this framework, policy development is the responsibility of the Leader of the Council and the Cabinet whilst the CLT is responsible for advising and delivering this policy. This approach ensures that the dividing line between the officer and political roles does not blur.

The Council's vision is clearly articulated in its Business Plan (2013-17) as *'to create stronger and more resilient communities'* which is supported by three corporate objectives:

- To protect those who are most vulnerable.
- To boost the local economy thereby creating and safeguarding jobs.
- To support and empower communities to do more for themselves.

The organisation's view is that resilient communities are less dependent upon public services. For this reason, there has been considerable activity towards engaging with the community to enable the Council to devolve some services and decision making to those in receipt of these services. To this end, it has established 18 Area Boards comprising representatives from the community, Local Councillors, officers as well as local bodies including the Police and the local NHS. In turn, these boards will be served via a network of campuses and at this time, campuses are being established in Corsham, Melksham, Tisbury, Pewsey, Calne, Cricklade and Salisbury.

The challenge for the organisation's services is to demonstrate how their decisions support the Council's vision and objectives as specified in its Business Plan, which is currently subject to review.

## 4.0 Executive Summary

### Assurance Themes

The concept of a Healthy Organisation review is to arrive at an objective assessment of the relative 'health' of an organisation. The review framework looks to specifically assess against eight key themes; Corporate Governance; Financial Management; Risk Management; Performance Management; Commissioning and Procurement; Information Management; Programme & Project Management; and finally, People and Asset Management. These eight themes have contributed towards our overall assessment and understanding of the Council as a 'Healthy Organisation'. Each of these themes have been reviewed and a Red, Amber and Green (RAG) rating has been applied.

To stay 'healthy' however, the Council, like all organisations, must undergo periods of change to remain current, otherwise it may become static and set in its ways. But such change does introduce uncertainty and not just to people. The existing control framework itself is also challenged by the new demands brought about by the very change needed to move the Council forward. At the start of this change, this framework is in part unproven. Consequently, all healthy organisations must move between periods of green and amber as they set new priorities which are then subsequently reflected in their governance and service structures. This lifecycle is an ongoing, iterative process.

As specified in its Business Plan, the Council recognises the need to realign services over the next three years to deliver priorities in response to the £120m reduction in funding. This will demand sound business decisions that are open to public scrutiny. To prepare for this, the Council's strategies, policies and procedures must be fit for purpose and be consistently applied. The Council has taken steps to strengthen financial control by tightening the approval and control of its expenditure which is hoped to reduce expenditure by up to 20%. Improvements to its budget monitoring process are also being deployed whilst other initiatives involve the drive to reduce agency costs by hiring permanent employees. However pressures remain and the Council continues to monitor its financial position closely since its reserves are nearing the minimum levels recommended by the Section 151 Officer. This review has detected a number of areas that require improvement, the more significant are summarised below:

- A review was undertaken in 2014/15 to examine the Council's decision making protocols and to reduce the number of governance boards. However, this was not fully actioned and additional boards have been set up since. For example, there are boards considering decisions on assets and IT, as well as those that overlap other areas of policy development such as transport, housing and care.
- The need to strengthen further the links between the Service Delivery Plans, Medium Term Financial Strategy and the new risk management framework was also detected.

- The Financial Strategy did not effectively tie into planning strategies such as those supporting resources including people, ICT etc. Whilst we welcome the initiative to encourage services to take greater responsibility for their finances, these procedures are new and their effectiveness unproven at a service level.
- Some services were not capturing and reporting their performance in a consistent way which could undermine strategic officer efforts to understand the organisation's efficiency and effectiveness.
- Finally, we also noted potential issues with activities that fall outside of central control such as the management of procurement of lower value items and projects that are managed outside of the Programme Office control. This could mean that such activities are not subject to appropriate scrutiny and lead to financial loss (projects failing to deliver on time or to budget, fraud etc.) and lead to reputational harm.

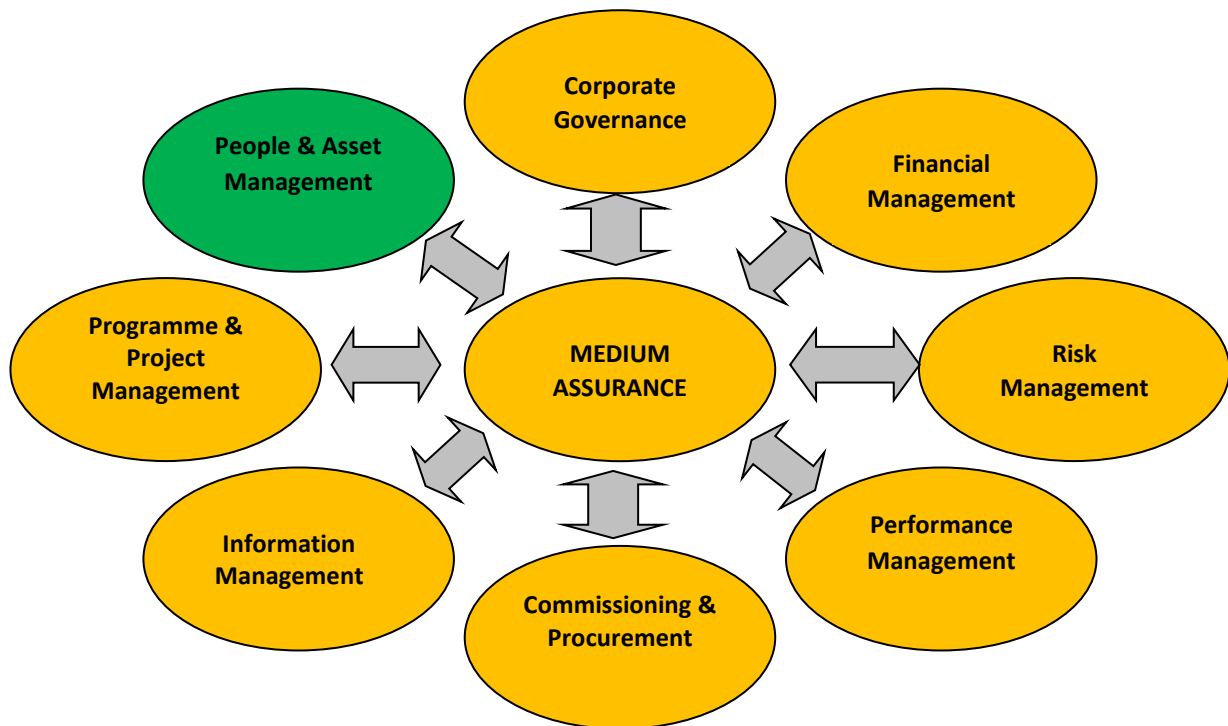
### 4.0 Healthy Organisation Theme Review

#### Assurance Opinion

The assurance for each of the eight themes referred to above have been reviewed and depicted in the following chart. This indicates a **Medium Assurance** opinion. On the whole, assurance arrangements were working effectively, management are aware of their streams of assurance and this was supported by corporate and third party evidence. However, as outlined above, change is inflicting stresses upon the existing control framework which has led to the conclusion and a plan for future work over the next 12 months. This opinion is wider than our annual audit opinion, as it also reflects management’s own assessment of their portfolio and control framework.

It is important to note that **High Assurance**, the highest rating may not be the desired outcome for all areas of the Council. It is for management to consider whether the cost of the introduction of new controls to achieve **High Assurance** outweighs the risks.

**Theme overall assurance graph (Figure 2)**



**R/A/G Rating Key:**

- RED** (Low Assurance / High Risk)
- AMBER** (Medium Assurance / Medium Risk)
- GREEN** (High Assurance / Low Risk)

## 5.0 Update

A detailed report was presented to the Audit Committee in October 2015 at which point an Improvement Plan to support continuous improvement was agreed. The Improvement Plan in Section 6.0. has been updated to reflect progress to date or where there are planned audits to examine these areas in more depth.

Further work has also continued at service level and reviews have been undertaken in the following areas and an assurance opinion provided. Each review has led to individual improvement plans and these will be monitored through the Internal Audit follow up procedures.

Area	Assurance Opinion
Economic Development	High
Highways	Medium
Children's Safeguarding	High
Adults Care	High

### Summary Findings

#### Economic Development

The service was assessed as strong in all themes of the review, with the majority of the key lines of enquiry receiving a high assurance rating. Good governance through close involvement in the work of the service by Cabinet, Joint Scrutiny Task Group and the Joint Strategic Economic Committee assurance groups provides a high level of scrutiny of and support to the service. Project management was also assessed as strong, with major project initiatives delivered by the service and its partners using a recognised project methodology. The service also scored high too in financial resilience, the majority of the growth initiatives delivered by the service and its partners being funded externally in particular leveraging wherever available external funding to deliver growth initiatives in partnership with the SWLEP and other organisations. Risk assessment was seen to form an active and routine part of the service and project planning, monitoring and reporting and the service scored high in the Commissioning and Procurement theme of the review. At the same time, some minor development needs were indicated in a number of areas across six of the eight themes of the review, and these have been reflected in the improvement plan where issues and actions to address are recorded.

### Highways

Medium assurance was awarded to four of the eight themes and all eight of these recorded in their assessments of key lines of enquiry a mix of both high and medium level assurance ratings (the audit review coincided with a more technically focussed service specific peer review conducted by a team of independent industry peers which, having a different scope, awarded in aggregate a different assurance rating than here). Assessed as high assurance, the service scored well in the Commissioning and Procurement theme of the review, achieving value for money by letting contracts through a competitive process and by employing industry best practice contract templates. In the same theme, the assessment found the service successful in pursuing the Social value and local engagement objectives of the corporate procurement policy through a variety of initiatives including TUPE'ing local staff into contract provider teams and encouraging contractors to use local sub-contractors and provide training and development for the workforce. High assurance was also awarded by the review to the governance theme where Service Delivery Teams, the Contract Management Group, CATG sub committees of the Area Boards and the Environmental Select Committee provide management oversight, overview and scrutiny over the decisions of the Highways Service. Risk management was rated strong too in the service where the finding was that risk is both a key consideration in determining what schemes are prioritised and, within each scheme being carried out, what measures are taken to mitigate risk and avoid hazards. That said, at the same time, the review indicated a number of improvement needs across the majority of the eight themes where actions have been developed by the service to address these and are recorded in the improvement plan in the appendix at the end of the report.

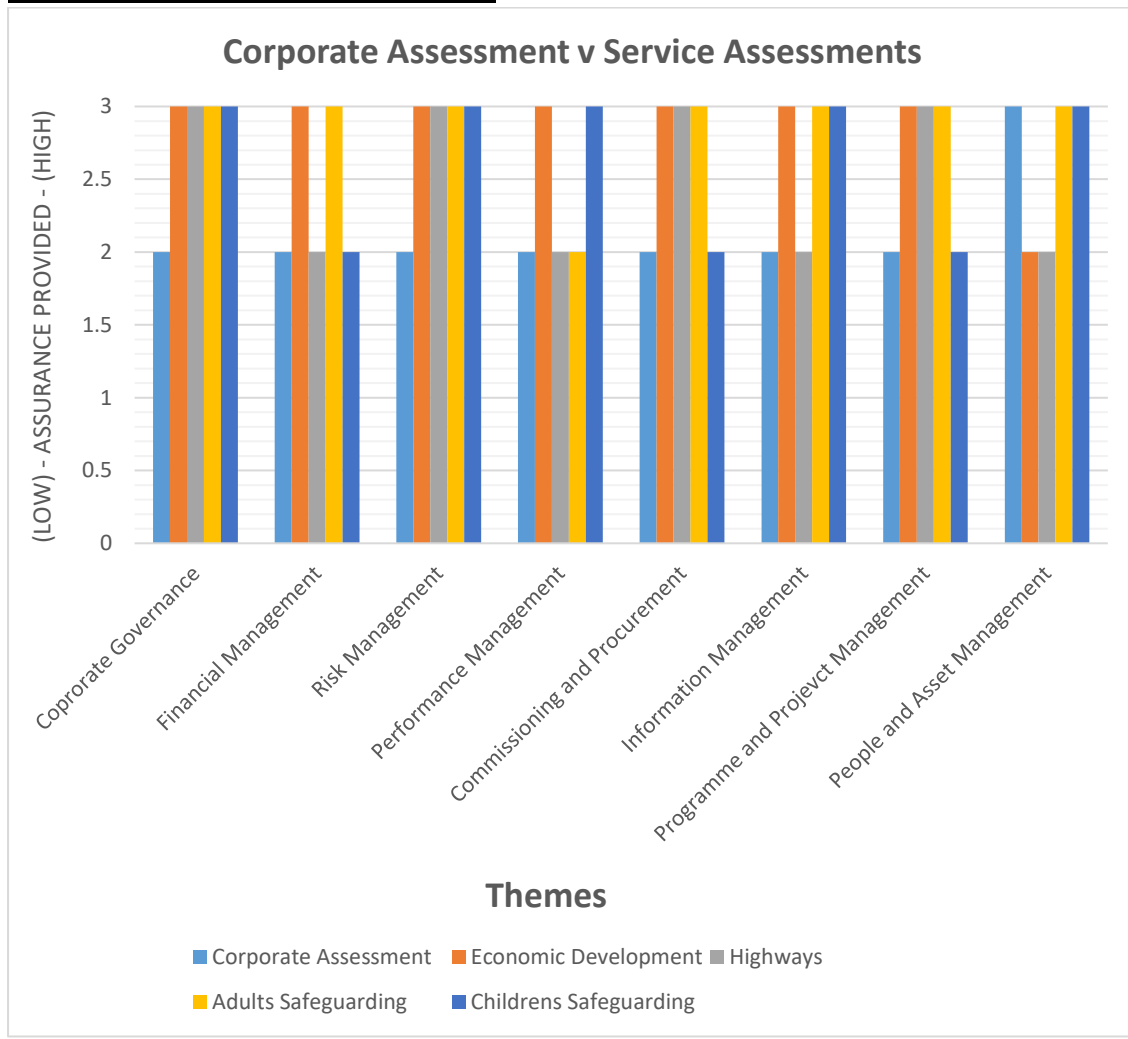
### Children's Safeguarding

The service received high assurance in five of the eight themes of the review, with no themes assessed as weak. The review awarded a high level of assurance to the Performance Management theme where an extensive suite of KPI data has been used to benchmark the service against national indicators as well as measure success against service and corporate priorities and the service was seen to be making good progress in addressing additional improvements identified by Ofsted. An assessment of high assurance was given to the services governance structure where the review found an effective, multi-agency framework of overview and scrutiny in operation and also assessed as strong, risk management in the service was found to be effectively embedded and supporting the co-ordination of multi-agency and service initiatives. To further strengthen the control framework, Improvement initiatives are recommended in the majority of themes and recorded in an improvement plan at the end of the report.

Adult’s Care

The service was assessed as strong in seven of the eight themes of the review, with the majority of the key lines of enquiry in these receiving a high assurance rating. In governance matters, a good level of control is achieved through overview and scrutiny of the activities of the service provided by the services own oversight committees as well as the member level Health Select Committee which makes or ratifies decisions on major Adult Social Care matters. The Commissioning and Procurement theme was assessed as strong in the review, the service consulting widely with stakeholders in the commissioning and procurement initiatives they are developing and major commissioning initiatives assessed through a detailed Opportunity Assessment that challenges and explores the fundamentals of a commissioning or procurement need. The service also scored high in the Programme and Project Management theme, where the key elements of a formal project management methodology - PID, business case, resource planning, risk assessment, project planning – were seen present in the two significant project initiatives ('Help to Live at Home' and 'Homefirst') the review examined. Regarding improvement need, opportunities were identified in the lower scoring Performance Management theme as well as across several others of the review.

**Overall Healthy Organisation Results**



The chart above reflects the outcomes and level of assurance provide for each service area against each theme. This provides an overall picture of services that are operating with a high degree of assurance although there are some themes where improvement is required. Improvement plans have been agreed with each service and Internal Audit will follow these up to ensure actions agreed have been implemented.

The assessments undertaken within the service areas demonstrate continuous improvement and this may result in higher assurance being provided when the corporate assessment is revisited. It is important to gauge the overall health of the organisation on a regular basis once agreed improvements have been implemented and embedded. These service reviews and further planned work, including Internal Audit work will inform the overall “health” of the organisation and this is to be reported to the January 2017 Audit Committee.

Further work is also required to take areas of good practice identified within the service reviews and share them across the organisation.



## 6.0 Improvement Plan

AREA	Details	Proposed Action	Owner	IA	Date for Action
Corporate Governance	Lack of synergy between Governance Frameworks across the Authority	Review Governance Framework to: <ul style="list-style-type: none"> <li>Map governance groups &amp; for sample whether these are supported by ToR, effective membership, defined performance criteria and how these groups inform strategic oversight.</li> <li>Ensure alignment of the schemes of delegation to ensure synergy between finance and decision making. <i>Final stage of implementation of decision making project.</i></li> <li>Work under way to consider a revised process to govern all strategic programmes</li> </ul>	CBRT CG/IG	✓	Jan 17
Corporate Governance	People's Strategy is not up to date.	Review People's Strategy to ensure that it is fit for purpose.	CB/BP	✓	November 16
Corporate Governance	Key service strategies (Budget, People, ICT, Asset, Procurement & performance) have not been independently assessed to determine whether they support the Council's corporate aims.	Determine whether key service strategies (Budget, People, ICT, Asset, Procurement & performance) effectively align with the new Business Plan  Review underway in conjunction with Legal Services to identify statutory and non statutory policies that we need to have as part of our Policy development framework, as identified in Part III of the constitution.	CD/RT	✓	December 16
Corporate Governance	Key policies not always consistently applied across organisation	As above -.	CD/RT	✓	December 16

Finance Management	Templates supporting links between key service strategies to resources available in both Council revenue & capital budgets are new and have not been assessed.	Accountancy will work with Corporate Performance and Policy to develop a service plan template that looks at the following year at the same time as setting the budget, to identify operational costs matched by financial budgets. Any development or additional spend over and above the 'day job' will need to be identified and bid for and link to strategic improvement intent.	CD/MH	✓	January 17
Finance Management	Adequacy of business decisions to support long term financial plan <i>including impact upon Council's reserves</i> has not been assessed.	Accountancy now maintain a MTFs. This will have an additional audit trail to log all decisions that affect in year and future years. Where savings or cost pressures are identified for this elater years this will be shown and the decision record number recorded. Any resultant gap will then be used to further inform the current risk based assessment of reserves.	CG/MH		Actioned
Finance Management	Budget management arrangements are relatively new and their adequacy / adherence has not been tested.	Budgetary guidance is being rolled out, and a core competency framework is planned for 1 <sup>st</sup> April 2017. This will be capable of review by IA and Audit Committee per recommendation from councillors review of the new Financial Regulations.	CG/MH	IA	April to July 2017
Finance Management	The Council does not have an effective benefits realisation process to adequately monitor expected efficiencies arising from investment.	Review the Council's benefits realisation arrangements to monitor efficiencies. Accountancy are developing a process to record an initial return on investment under a business case basis. This will identify potential budget codes affected. As projects continue the effect of changes on budgets will be captured and reported.	CG/MH	IA	January 17
Finance Management	Performance & Financial reporting to support officer & Member decision making has not been independently assessed.	Accountancy will continue to work with other corporate resource services to improve the comments provided in decision making report, including the impact on both finances and the link to likely impact on performance.	CG/MH	IA	July 2017

Finance Management	Financial Regulations are being updated and as such their usefulness, deployment and understanding by the organisation have not been assessed.	The Regulations have now been adopted and a training programme finalised to roll out in 2017/18.	CG/MH		April to July 2017
Finance Management	As a unitary body, the Council's corporate systems support multiple feeder systems that have not been reviewed to ensure data accuracy / information security. Weaknesses may undermine corporate financial systems.	. A project has begun to map the current systems and options to review and improve the general ledger it is expected that recommendations on next steps will be available for consideration by February 2017.	CG/MH	IA	February 17
Finance Management	Management reports / monitoring reports provided to Cabinet have not been independently reviewed to ensure adequacy & timeliness for decision making purposes.	Review adequacy of the Cabinet Monitoring Report to enable decision makers to identify issues with forecasts (overspends).	CD/RT/MH		March 17
Risk Management	Risk management system has not been reviewed in operation since the framework was assessed by internal audit.	Assess risk management framework in operation to support organisational change and treatment of risk. This is constantly under review. The Risk Management System has been refined and improved following discussion with service leads. Benchmarking is also undertaken on a half yearly basis to assess our corporate risks to those of other LA's in the SW	CB/RT		December 16

Risk Management	The link between services (Service delivery plans), Corporate Support (via performance & risk management) and Programme Office are not clear and have not been assessed.	Review the adequacy of links between services (Service delivery plans), Corporate Support (via performance & risk management) and Programme Office. We are reviewing our approach to SP. The PO Uber report has been refined and there are now improved links between the Uber report and the corporate P&R report	CB/RT		December 16
Risk Management	The Community Area Boards need to highlight risk, where appropriate, in the context of the Council's risk management. Area Boards will be advised of where this is appropriate	Following guidance relating to risk assessment – the Area Boards will be monitored to consider how effective the Council's risk management arrangements have been implemented at a local community level	CB/LB		March 17
Performance Management	The Council does not have a single defined way of capturing and reviewing service level performance. This could hamper strategic oversight.	. We now have a format in which all service level performance can be reported at a corporate level drawn from multiple sources and systems. It has also been recognised that external government demands for performance data differ from service to service so there is no proposal to develop a single system	CB/RT		N/A
Performance Management	It is not clear that performance information is used in a consistent way to inform future policy, strategy and key service delivery initiatives.	Examine arrangements in place to ensure that performance information does inform strategy & key service delivery initiatives. See above	CB/RT		As above

Performance Management	Usefulness of corporate performance measurements to provide a meaningful indication of success against the Council’s Business Plan have not been independently reviewed.	<p>Corporate performance measurements in providing a true indication of success against the Council’s Business Plan.</p> <p>The corporate Performance Dashboard and quarterly P&amp;R report was developed in association with O&amp;S. The quarterly P&amp;R reports are considered by both O&amp;S (through FPTG) and Cabinet. The reports have bene positively received by both O&amp;S and cabinet and there is an ongoing opportunity to amend and improve. There are no intentions to have this independently reviewed in the current financial year.</p>	CB/RT		Ongoing
Performance Management Page 61	Usefulness of information and data provided to Community area boards needs to support their function and delivery of outcomes at local level.	Consider the data being collated and provided to the area boards and how it is used to support delivery and improvement of services locally.	CB/LB		March 17
Commissioning & Procurement	<p>To assess compliance and consistency of procurement across the Council via:</p> <ul style="list-style-type: none"> <li>• New Category management, planning arrangements and benefits realisation.</li> <li>• Assess the robustness of the council’s approach to contract management.</li> <li>• Arrangements in place to seek value for money</li> </ul>	<p>Strategic Procurement Improvement Plan considered and endorsed by Corporate Procurement and Commissioning Board</p> <p>Key elements - Procurement and Contract Regulations have been revised to ensure compliance with EU rules and reflect current organisational need and approved by Full Council</p> <p>Contract Management Framework has been developed and training is being delivered in Oct and Nov 16 Contracts Register has been developed and is live on council website</p>	CB/RT		<p>October 16</p> <p>July 16</p> <p>Nov 16</p> <p>Oct 16</p>

	<p>&amp; social value for commissioning and procurement.</p> <ul style="list-style-type: none"> <li>• Supplier management.</li> </ul>	<p>Contract categorisation has been developed and all contracts above £800k have been assessed and developing clear contract management strategy for top 20 contracts</p> <p>Social Value statement being developed (council participated in a regional workshop to capture learning)</p>			<p>Nov 16</p>
<p>Commissioning &amp; Procurement</p>	<p>Determine transparency &amp; compliance with regulation for commissioning arrangements undertaken on behalf of Wiltshire Council by its partners.</p>	<p>Procurement and IG team working together to review current compliance with TO requirements and develop a report with recommendations for the CP&amp;CB to consider</p>	<p>CB/RT</p>		<p>Nov 16</p>
<p>Commissioning &amp; Procurement</p>	<p>Review sub schemes of delegation at service level to ensure that procurement decisions &amp; authorisation below current quotation thresholds are transparent &amp; subject to scrutiny.</p>	<p>Procurement and Contract Regulations have been revised to ensure compliance with EU rules and reflect current organisational need and approved by Full Council</p> <p>Exemption process is in the process of being streamlined with wider council decisions and strategies in place to minimise numbers; 3 year pipeline developed which is improving procurement planning</p> <p>Sub schemes of delegation are reviewed on an annual basis by AD's</p>	<p>CB/RT/IG</p>		<p>Complete</p> <p>Nov 16</p>

<p>Commissioning &amp; Procurement</p>	<p>Review interim specialist brokerage practices remaining under Service area management to ensure compliance with regulation and achievement of efficiencies.</p>	<p>As above. SWAP will assess as part of ongoing service based Health Organisation Audits</p>	<p>CB/RT</p>		<p>Ongoing</p>
<p>Programme &amp; Project Management</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 63</p>	<p>Review of the consistency of methodology across the authority.</p>	<p>IN the process of developing a revised process to govern all strategic programmes through CLT and a sub-group of Associate Directors and support service leads.</p> <p>Agreed that CLT will determine and commission the Council’s strategic programmes and agree the criteria for when the Programme Office should be involved - a criteria approval matrix for new work has been developed.</p> <p>Programme Office to provide bite sized courses (as part of the GROW platform) to support services and teams that undertake small-scale BAU projects. – programme being developed</p> <p>Revised process and documentation have been developed and are on the intranet for access by teams to use as a stand-alone resource for small-scale work.</p> <p>A light touch monitoring approach for strategic programmes outside the PO has been developed and reference to / updates are contained in the monthly Uber report.</p>	<p>CB/RT</p>	<p>IA</p>	<p>December 16</p>

		<p>Review the use of SharePoint as the Corporate tool for programme management. - <a href="#">SharePoint as a PM tool has been reviewed and a number of improvements made.</a></p>			
<p>Information Management</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 64</p>	<p>Compliance with IG requirements as detailed in the ICO audit report</p>	<p>IG programme and action plan established and implemented to include:</p> <ul style="list-style-type: none"> <li>• IG Board and steering group set up for monitoring and decision making</li> <li>• Key responsible roles allocated – Caldicott Guardian for Health now appointed, all Heads of Service allocated Information Asset Owner responsibility.</li> <li>• IG responsibilities included in all job profiles for <u>each</u> job within the organisation as standard statement</li> <li>• Revised structure in place</li> <li>• New policies published and procedures and guidance being written to underpin</li> <li>• Engagement, training and development across the organisation:             <ul style="list-style-type: none"> <li>○ All CDs, ADs and Heads of Service trained</li> <li>○ Key members trained</li> <li>○ Specification for tender for an eLearning package for the rest of the organisation being drawn up</li> </ul> </li> <li>• SIRO trained. Deputy SIRO and advanced Caldicott Guardian training in progress</li> <li>• New records management strategy.</li> </ul>	<p>CB/RT</p>		<p>Two year programme ending 17/18</p>
<p>Information Management</p>	<p>Data security arrangements require ongoing annual assurance to ensure Council’s continued level of preparedness.</p>	<p>Annual review of data security breach arrangements in response to ever changing threat posed by cyber criminals completed and action plan being developed for both technological and physical elements.</p>	<p>CB/RT</p>		<p>Actioned</p>



<p>Information Management</p>	<p>Council’s BCP current arrangements are being reviewed and as such have not been properly reflected (&amp; tested) in the Council’s Disaster Recovery Plan.</p>	<p>. The current Business Continuity Plan for IT does refer and says it should be read in conjunction with the Disaster Recovery Plan. Detail on this to be strengthened, e.g. include a hyperlink to the DRP and the most pertinent DRP information such as estimated times for recommence of service. The Emergency Planning Team are working through a programme of review and update of all service BC plans, so this will be picked up at the scheduled review of the IT BC Plan.</p>	<p>CG/FC</p>		<p>31/03/17</p>
<p>Information Management</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 65</p>	<p>The Council does not have a formally approved ICT strategy and as such it is in danger of making technical decisions that do not properly support its corporate aims or whose implementation could undermine the Council’s technical infrastructure.</p>	<p>On completion of the ICT Healthcheck (ICT Strategy, Governance &amp; supporting Project Portfolio) Initiate the following recommendations:</p> <ul style="list-style-type: none"> <li>• The creation and management of an ICT Commissioning Board</li> <li>• Adoption by the council of the ICT Strategy and ensure that the ICT strategy aligns to the Council’s Business Plan</li> <li>• Ensure that any inappropriate commissioning of IT services are identified and managed to ensure that the service complies to the ICT strategy</li> </ul>	<p>CB/BP</p>		<p>March 17</p>

<p>Information Management</p>	<p>The Council's Secondary Data Centre (SDC) has not been subject to an independent review since its significance took on a greater importance to provide greater resilience to the Primary Data Centre (PDC). How these data centres interact has also not been reviewed.</p>	<p>Following the review of the Primary Data Centre (PDC) and the Secondary Data Centre (SDC) there have been some minor amendments to ensure full compliance to the recommendations of the report.</p> <p>The two main points of the report; the suitability of Monkton Park as the site for the SDC and the interaction between the SDC and the PDC is being addressed</p> <ol style="list-style-type: none"> <li>1. in the long term by migrating those services hosted in the SDC to a cloud provision.</li> <li>2. Following the Network Upgrade ICT will now put in place the planned work to automate the failover between the sites (that action is currently a manual activity, managed remotely)</li> </ol>	<p>CB/BP</p>		<p>Actioned</p>
<p>People &amp; Asset Management</p>	<p>People's and other assets supporting strategies need updating to better support the Council's new delivery model and to accurately reflect what assets the Council has at its disposal.</p>	<p>As part of service level (health check) review ensure:</p> <ul style="list-style-type: none"> <li>• Existing / revised people &amp; asset strategies effectively support the new Delivery Model.</li> <li>• Capital asset inventories are accurate and complete; revised asset management system and processes currently being implemented.</li> <li>• Compliance with HR and organisation development policies including, for example, the Workforce Strategy.</li> </ul>	<p>CB/BP</p>		<p>November 16 (new people strategy)</p> <p>January 2017 – Asset Management Strategy</p>
<p>People &amp; Asset Management</p>	<p>The delivery model to ensure effective alignment between asset investment and council objectives is new and is in the process of bedding in.</p>	<p>Finalise, and seek approval for, the Asset Management Strategy document to align asset investment and council objectives; clarifying the distinction between Operational and Investment portfolios.</p>	<p>CB/BP</p>		<p>January 2017 – Asset Management Strategy</p>



# Annual Audit Letter 2015/16

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Wiltshire Council

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18 October 2016



Agenda Item 7

# Contents

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This report is addressed to the Authority and has been prepared for the sole use of the Authority. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. Public Sector Audit Appointments issued a document entitled Statement of Responsibilities of Auditors and Audited Bodies summarising where the responsibilities of auditors begin and end and what is expected from audited bodies. We draw your attention to this document which is available on Public Sector Audit Appointment's website ([www.psa.co.uk](http://www.psa.co.uk)).

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

We are committed to providing you with a high quality service. If you have any concerns or are dissatisfied with any part of KPMG's work, in the first instance you should contact Darren Gilbert, the engagement lead to the Authority, who will try to resolve your complaint. If you are dissatisfied with your response please contact the national lead partner for all of KPMG's work under our contract with Public Sector Audit Appointments Limited, Andrew Sayers ([andrew.sayers@kpmg.co.uk](mailto:andrew.sayers@kpmg.co.uk)). After this, if you are still dissatisfied with how your complaint has been handled you can access PSAA's complaints procedure by emailing [generalenquiries@psaa.co.uk](mailto:generalenquiries@psaa.co.uk), by telephoning 020 7072 7445 or by writing to Public Sector Audit Appointments Limited, 3rd Floor, Local Government House, Smith Square, London, SW1P 3HZ.

This Annual Audit Letter summarises the outcome from our audit work at Wiltshire Council in relation to their 2015/16 audit year.

Although it is addressed to Members of the Authority, it is also intended to communicate these key messages to key external stakeholders, including members of the public, and will be placed on the Authority's website.

We issued an unqualified conclusion in relation to the Authority's value for money arrangements and an unqualified opinion on the financial statements.

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<b>VFM conclusion</b>	<p>We issued an unqualified conclusion on the Authority's arrangements to secure value for money (VFM conclusion) for 2015/16 on 27 July 2016. This means we are satisfied that during the year that Authority had proper arrangements for securing economy, efficiency and effectiveness in the use of its resources.</p> <p>To arrive at our conclusion we looked at the Authority's arrangements to make informed decision making, sustainable resource deployment and working with partners and third parties.</p>
<b>VFM risk areas</b>	<p>We undertook a risk assessment as part of our VFM audit work to identify the key areas impacting on our VFM conclusion and considered the arrangements you have put in place to mitigate these risks.</p> <p>Our work identified the following significant matters:</p> <ul style="list-style-type: none"> <li>— The Authority is facing significant savings requirements as a result of the ongoing reductions in central government funding. In the face of these, the Authority has delivered underspend against budget. We are satisfied that adequate arrangements are in place to identify savings plans and monitor performance against these throughout the year. However, like most bodies in the sector, the Authority will continue to face significant financial challenges in the future. It will therefore be vital that the Council maintains a strong focus on these challenges and takes the difficult decisions that will be necessary to address them; and</li> <li>— The implementation of the Better Care Fund necessitated a strong partnership relationship with Wiltshire Clinical Commissioning Group ("the CCG"). Despite some initial challenges, the Authority has worked with the CCG in order to establish a formal governance structure and budget monitoring processes relating specifically to the Better Care Fund. Whilst we noted only limited financial forecasts were provided by the CCG, we are satisfied that the Authority and CCG have plans in place to address this going forward and implement stronger financial planning and monitoring processes.</li> </ul>
<b>Audit opinion</b>	<p>We issued an unqualified opinion on the Authority's financial statements on 27 July 2016. This means that we believe the financial statements give a true and fair view of the financial position of the Authority and of its expenditure and income for the year. The financial statements also include those of the pension fund.</p>
<b>Financial statements audit</b>	<p>Two significant adjusted audit differences were identified as part of the audit and corrected in the final set of published accounts. The impact of these adjustments is to:</p> <ul style="list-style-type: none"> <li>— Decrease the deficit on provision of services for the 2015/16 year by £0.722 million; and</li> <li>— Increase the net worth of the Authority as at 31 March 2015 by £4.069 million</li> </ul> <p>No unadjusted audit differences and no other significant matters were identified which we were required to report to 'those charged with governance'.</p> <p>We noted consistency in the high quality of the draft financial statements and supporting working papers. As in prior years, officers dealt efficiently with audit queries and the audit process has been completed within the planned timescales. We also note that the accounts were published in July 2016 ahead of the September deadline.</p>

# Headlines (cont)

No significant issues arose from our audit of the pension fund.

We reported that the Authority's Whole of Government Accounts pack was consistent with the financial statements.

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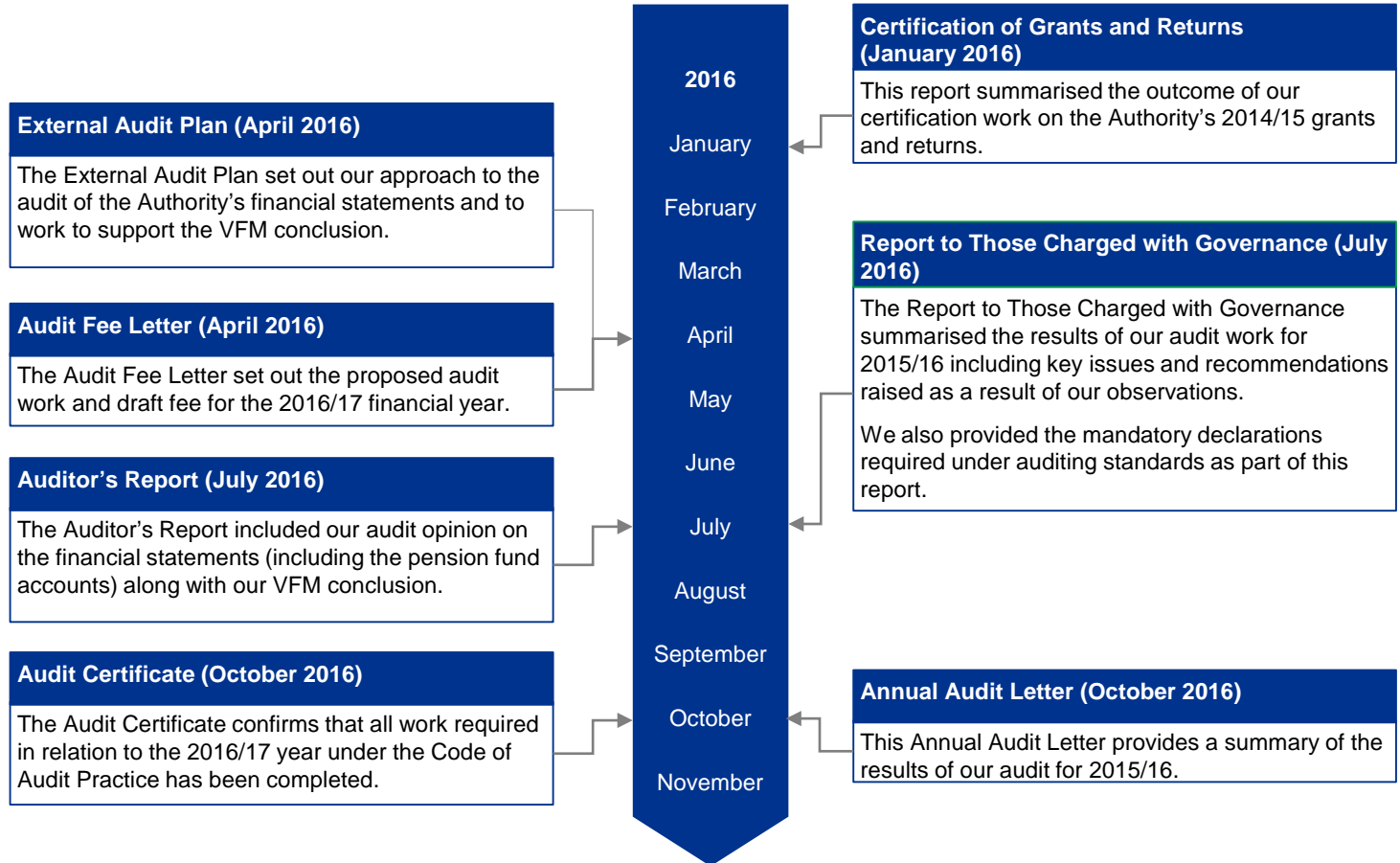
<b>Other information accompanying the financial statements</b>	<p>We reviewed your Annual Governance Statement and concluded that it was consistent with our understanding.</p> <p>We also reviewed your Narrative Statement and concluded that it was consistent with the financial statements and our understanding of the Council's performance during the year.</p>
<b>Pension fund audit</b>	<p>There were no significant issues arising from our audit of the pension fund and we issued an unqualified opinion on the pension fund financial statements as part of our audit report.</p>
<b>Whole of Government Accounts</b>	<p>We reviewed the consolidation pack which the Authority prepared to support the production of Whole of Government Accounts by HM Treasury. Following a limited number of minor amendments, We anticipate that we will report that the Authority's pack was consistent with the audited financial statements by 21 October 2016.</p>
<b>Certificate</b>	<p>We anticipate that we will issue our certificate by 21 October 2016. The certificate will confirm that we have concluded the audit for 2015/16 in accordance with the requirements of the Local Audit &amp; Accountability Act 2014 and the Code of Audit Practice.</p>
<b>Audit fee</b>	<p>Our fee for 2015/16 was £168,559, excluding VAT which is greater than the planned fee of £167,420 as a result of work required in relation to elector questions. Further detail is contained in Appendix 2.</p>

# Appendix 1: Summary of reports issued

This appendix summarises the reports we issued since our last Annual Audit Letter.

These reports can all be accessed via the Audit Committee pages on the Authority's website at [www.wiltshire.gov.uk](http://www.wiltshire.gov.uk).

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# Appendix 2: Audit fees

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This appendix provides information on our final fees for the 2015/16 audit.

To ensure transparency about the extent of our fee relationship with the Authority we have summarised below the outturn against the 2015/16 planned audit fee.

### External audit

Our final fee for the 2015/16 audit Wiltshire Council was £168,559. This compares to a planned fee of £167,420. The reasons for this variance was the work required in relation to questions raised by an elector.

Our final fee for the 2015/16 audit of the Pension Fund £25,678 compared to a planned fee of £24,246. The increase was a result of work undertaken at the request of the admitted bodies' auditors which had not been included in our original fee.

### Certification of grants and returns

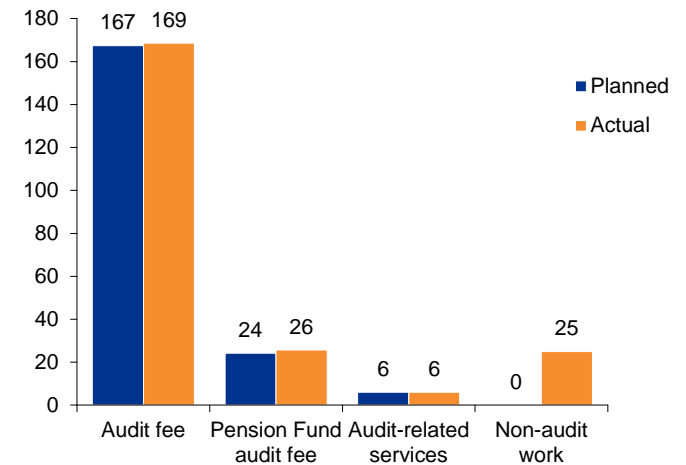
Under our terms of engagement with Public Sector Audit Appointments we undertake prescribed work in order to certify the Authority's housing benefit grant claim. This certification work is still ongoing. The final fee will be confirmed through our reporting on the outcome of that work in January 2017.

### Other services

We charged £6,000 for additional audit-related services for the certification of the Pooling of Housing Capital Receipts Return and the Teachers' Pensions Agency Return which are outside of Public Sector Audit Appointment's certification regime. Of these, the Pooling of Housing Capital Receipts work has been completed whereas the work on the Teachers' Pension Agency is still ongoing.

We also charged £25,000 for the provision of a review of the Authority's Medium Term Financial Planning processes. This review is still ongoing at the time of righting this report. This work was not related to our responsibilities under the Code of Audit Practice.

External audit fees 2015/16 (£'000)







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The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

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**Wiltshire Council**

**Audit Committee**

**26 October 2016**

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## **Information Governance**

### **Executive summary**

The purpose of this report is to update the Audit Committee on progress with the information governance improvement programme.

A progress report was provided to the ICO in May 2016 and the Council received agreement and sign off of its action plan, with no further updates requested.

The programme continues to address the findings identified by the Information Commissioner's Office (ICO), with key actions already having been delivered and a 2 year programme in place, identifying timescales for further improvements, which are beyond the scope of the ICO audit and will seek to provide the organisation with a robust framework for even better compliance with statutory Governance requirements.

### **Proposal**

That the Committee notes:

- a) the significant steps that have been taken to address and rectify the findings identified by the Information Commissioner's Office (ICO) and the audit engagement with them is now complete.
- b) the continued progress to address the actions identified in the two year improvement programme, which goes beyond the ICO requirements to fully inculcate a new information governance culture and practices across the organisation, whilst ensuring compliance with statutory legislation.
- c) that a further report will be submitted to the Committee in January 2017

### **Reason for proposal**

Report provided for information only.

**Dr. Carlton Brand, Corporate Director  
Wiltshire Council**

## Information Governance

### Purpose of report

1. To inform the Audit Committee of the progress of the improvement programme that has been set up to address the findings identified by the ICO.

### Background

2. In March 2015 the Council invited the ICO to come and conduct a voluntary audit of the Council's arrangements for the processing of personal data. The audit focused on records management; subject access requests and data sharing. The overall conclusion only a limited level of assurance could be found that data protection compliance was being maintained, that there were adequate processes and procedures and that there was considerable scope for improvement in the areas inspected.
3. An information governance improvement programme has been developed to address the recommendations in the ICO's report and is based on the NHS and Local Authority Information Governance Toolkit (version 13), which is recognised as providing a comprehensive set of standards for information governance and meets with the approval of the ICO.
4. The ICO provided some constructive feedback on the action plan in April 2016 and advised that the audit engagement is now complete. It is acknowledged that whilst some of the timescales have moved from the original plan, the ICO Board felt it is important that the organisation does not have a rapid, quick fix approach to put things right; but that there is the creation of a much more sustainable framework and strategy for Information Governance across the Council.
5. Progress with the improvement programme up until July 2016 was included within the Annual Governance statement and SIRO report, which were presented to the Council's Audit Committee on 27 July 2016. A copy of the improvement plan is attached as *Appendix 1*. Previous reports to Committee may be found at the link below:

[Previous Information Governance Audit Reports](#)

Information Governance was specifically included in reports of the 27 October 2015, 26 January 2016 and 27 July 2016.

### Main Considerations for the Committee

6. Substantial progress is being made in the areas for improvement identified in the ICO's report. The current position is as follows:

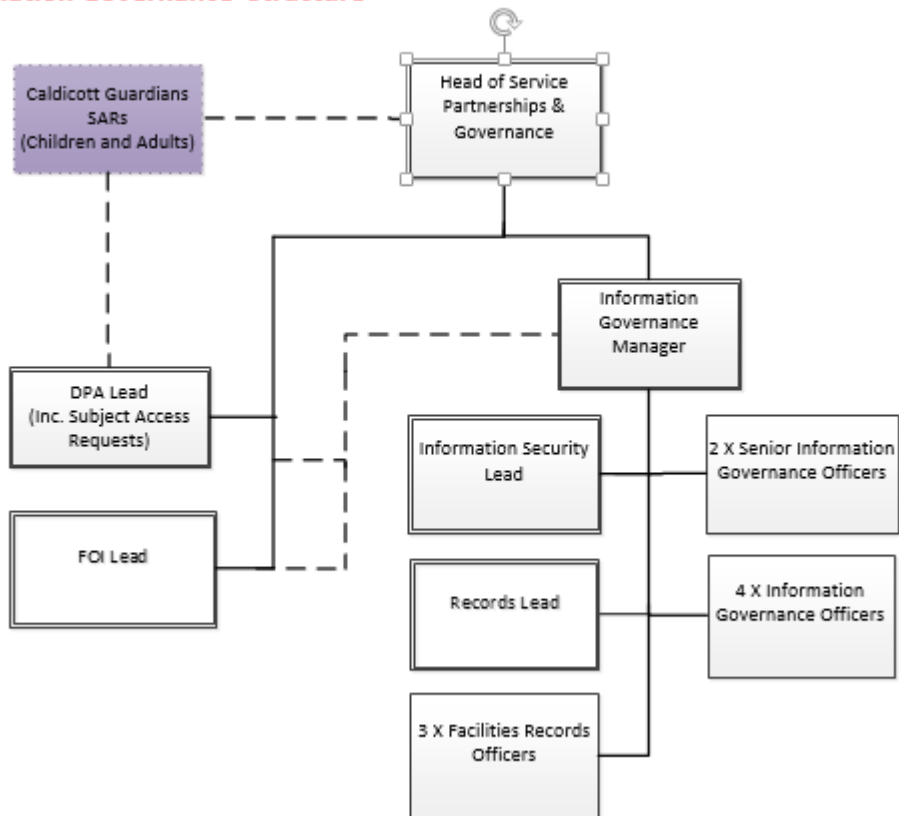
Scope area	Number of recommendations in each scope area from the original audit report	Number of actions complete, partially complete and not implemented.
Records Management	31	16 Complete 15 in progress
Subject Access Requests	27	7 Complete 20 in progress
Data Sharing	16	6 Complete 10 in progress
<b>TOTAL</b>	<b>74</b>	
<b>TOTAL COMPLETE</b>	<b>29 (39%)</b>	
<b>TOTAL IN PROGRESS</b>	<b>45 (61%)</b>	

NOTE: The total number of recommendations has been reduced by 5 from the SIRO report, as a number of action points have been amalgamated.

### Restructuring of Information Governance Function

7. The new Information Governance team is now complete and a structure chart is below for reference:

#### Information Governance Structure



8. The lead officers are specialists within their areas and will work closely with the Head of Service, the IG Manager and the Programme Office to continue to deliver the programme.
9. The Information Governance Assurance Steering Group will continue to monitor Information Governance Risk for the Council, reporting into the Information Governance Programme Board. All IG risks are updated on a quarterly basis as part of the Corporate Performance and Risk report into Cabinet.

### **Records storage**

10. A long term, physical records storage strategy for existing records and an electronic strategy, using SharePoint has been approved by CLT.
11. A new contract has been tendered for and let through Iron Mountain to amalgamate the current records storage agreements which the council has and provide one, secure, comprehensive and fully compliant records storage facility. This will enable a considerable improvement in Information Management compliance whilst delivering an annual saving of approximately £24k (i.e. the external contracts). At the same time it will free up buildings across the estate enabling their use to be reviewed within the strategic assets programme.

Work is also being undertaken to scope the amount and cost of indexing records which are very likely to be required in relation to the outcomes of the Jay (Goddard) enquiry.

12. Service areas have started to identify and purge records that no longer need to be held in readiness for the transfer. Records “champions” have been identified within directorates to understand and support the new system and implement more robust retention schedules across the organisation.

### **Information Asset Register**

13. A composite Information Asset Register to record all the council’s information assets has been designed, successfully piloted and was rolled out across the organisation at the beginning of October, for completion by the Information Asset Owners (Heads of Service) by the first week of December 2016. Workshops to support this are being run during October and November.

### **Communications and Training Programme**

14. The continued success of the improvement programme remains reliant on culture change and embedding the importance of information governance across the organisation. A communications and engagement strategy is being produced to underpin this and enhance the training delivered to date and in the future.
15. All Corporate Directors, Associate Directors and Heads of Service have now been trained in Information Governance with the assistance of external information governance experts, Dilys Jones Associates Ltd. Key members have also received this training.
16. A specification is being drawn up to enable the tender for an eLearning package that will be made available to all remaining members and staff. It is proposed that

this will be in place by the end of March 2017.

17. The Head of Service and IG Manager attend senior management team meetings to promote IG and to understand the requirements for each service areas. The IG team also deliver bespoke training to relevant service areas and will continue to promote and provide professional support and guidance across the organisation.
18. All role profiles have been updated to include generic statements concerning job responsibilities in relation to Information Governance.

### **Information Governance Procedures and Guidance**

19. The procedures and guidance that are being prepared to underpin the IG policies will be completed by the end of October 2016. They will be published alongside the policies on the intranet on a dedicated information governance site. Version control will be managed strictly through the Information Governance Assurance Group.

### **Environmental Impact**

20. There are no environmental impact implications.

### **Procurement Implications**

21. Procurement guidance has been updated to support proposed changes to the Council's Procurement Rules, which include requirements for data sharing and information security. The guidance will cover the Council's obligations in respect of information governance and seeks to ensure engagement of Information Security at the point of initiation to provide the relevant safeguards for new specifications.

### **Equality and Diversity Impact**

22. There are no equality and diversity impact implications.

### **Risk Assessment**

23. Failure to implement improvement actions will increase the risk of non-compliance with information legislation resulting in reputational harm, litigation, fines and costs.

### **Financial Implications**

24. The cost for the new staffing structure has been met from existing budget. The cost for the new records contract has been met through a combination of releasing capital from the cost of existing storage sites and existing revenue. Training costs have been met from the initial £50k that was identified to support this programme.

### **Legal Implications**

25. The measures that are being taken under the Improvement Programme will ensure that the Council meets its obligations under information legislation.

### **Conclusion**

26. Significant steps have been taken to address and rectify the findings identified by the Information Commissioner's Office (ICO) and the audit engagement with them is now complete.

27. A two year improvement and action plan has been drawn up, which goes above the ICO requirements to fully inculcate a new information governance culture and practices across the organisation, whilst ensuring compliance with statutory legislation.

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**Robin Townsend,  
Associate Director, Corporate Function, Procurement and Programme Office**

Report Author:

Liz Creedy, Head of Partnerships and Governance, Corporate Office

[liz.creedy@wiltshire.gov.uk](mailto:liz.creedy@wiltshire.gov.uk)

01225 713086



Audit No	Action	ICO Priority	Current Status	Start Date	Completion date	Update	Current RAG
a1	The SIRO's responsibility for strategic direction and oversight for Records Management should be formally documented	1	Completed	01/05/15	31/07/15		Complete
a10	Ensure that staff working with high risk, sensitive personal data receive data protection training (including records management) at induction and that this is refreshed on an annual basis.	1	Completed	01/08/16	30/11/16	Ad hoc bespoke training is delivered to Social Workers when required by the Data protection lead	Complete
a14	Ensure work of the Corporate Fraud Team is reported into the IASG on a regular basis (this is regarding the informing of individuals).	1	Completed	01/05/15	31/05/15		Complete
a16	Provide training to information asset owners to enable them to fulfil their role.	1	Completed	22/03/16	28/04/16		Complete
a18	Identify the various third party data storage arrangements and associated contracts. Ensure contracts are fit for purpose and include relevant data protection and information security clauses such as the right to periodically visit their premises. Retain central oversight of these contracts with assurances reported to the IASG periodically	1	Completed	17/03/16	31/03/17	Third party contracts for paper storage have been identified and a consolidated contract has been agreed with Iron Mountain. This contract includes relevant data protection and information security clauses. KPI's will be reported to the IASG regarding performance and	Complete
a19	Implement storage arrangements and retrieval and tracking mechanisms observed at Salisbury warehouse within other warehouses holding records. See additional requirement below to strengthen this.	1	Completed	01/12/14	30/09/15		Complete
a2	Operational responsibility for records management across the council should be assigned to a corporate records manager. The main responsibility of the records manager should be enabling and ensuring implementation of records management policy and procedure.	1	Completed	01/09/16	30/09/16	A Records Manager was appointed and took up position with effect from September 2016	Complete
a20	Test tapes holding back-ups periodically to ensure data can be recovered if required.	1	Completed	01/03/16	01/08/16		Complete
a21	Create service area disaster recovery plans as soon as possible. Ensure they explain how client records and systems holding client records are to be reconstituted following a disaster. These plans should be subject to periodic testing	1	Completed	01/07/15	01/11/15		Complete
a26	Ensure that passes are signed out to individuals rather than staff members (include in policy) Please see additional requirement regarding physical security below.	1	Completed	20/04/16	31/07/16	A global communication has been issued to all staff to reinforce the process of visitor passes that must be signed out to to individuals rather than staff members. A policy has been created to support this process also.	Complete
a28	Whilst records at the Trowbridge warehouse are currently stored in a way which does not promote findability, ensure that staff searching for records are accompanied by another member of staff with sufficient seniority to enforce security rules if required e.g. a facilities manager.	1	Completed	01/12/14	30/09/15		Complete
a3	Assign local records management responsibilities and include these within the records management policy. This could be done by incorporating such responsibilities within the remit of the planned Information Asset Owners. The SIRO should receive assurances from the service areas in regard to implementation of the Records Management policy.	1	Completed	01/10/15	31/12/15		Complete
a32	Review the requirement for Children's Services staff to access all records and apply restrictions if necessary. Client records should not be accessed by staff unless there is a business requirement for them to do so.	1	Completed	01/07/16	01/04/17	Since the ICO audit we have written and implemented a Restricted access policy which allows for restricted access to be managed for more sensitive records.  We have started the procurement of new case management systems and we will be looking to improve role based security with the implementation of new systems with more refined access abilities. System roll out is planned through to 2020.	Complete
a33	Create an off-site/remote working policy which sets out the expectations on staff when handling personal information when outside of the office.	1	Completed	01/10/15	31/12/15		Complete

a6	Once new responsibilities and approach to records management has been determined, update the records management policy. It should be ratified at senior level e.g. at the IASG to verify that it is fit for purpose. Ensure that the document is reviewed periodically and has been assigned an owner.	1	Completed	01/10/15	31/12/15		Complete
a9	Provide specialist training for IAOs and consider whether other staff should be provided with records management related training. Adequate training should be provided for the role responsible for Records Management going forward.	1	Completed	01/09/16	31/12/16		Complete
b1	Implement a dedicated SARs Policy defining how the Council handles and oversees the handling of SARs. The SARs Policy once implemented, should then be subject to regular review.	2	Completed	01/10/15	31/12/15		Complete
b12	Roll out a dedicated SARs training course to staff handling SARs within Services.	2	Completed	01/10/16	31/12/16		Complete
b13	Identify & implement data protection departmental representatives for departments where personal data is processed. This may ease the volume of queries directed to the Principal Information Officer.	2	Completed	01/09/16	01/07/17		Complete
b16	Where unavoidable delays occur, requesters should always be updated and provided with a revised timescale for the final response, to provide clarity on the process and manage requester expectations regarding a response date.	2	Completed	01/09/16	30/11/16		Complete
b18	Ensure that procedures are in place to check that requests are dealt with in a timely manner and that late responses are reported to a suitably senior person(s) to track and feed into any required improvement plans	2	Completed	01/01/16	01/07/16		Complete
b29	Document formal procedures to offer onsite viewing facilities to requesters where appropriate.	2	Closed	01/05/15	01/09/16		Complete
b36	Review how SARs related complaints information is recorded and how this could be extracted in the form of a management report or equivalent	2	Completed	01/05/16	17/06/16	The Delta system provides this	Complete
c10	The Council should introduce the proposed tick box within Carefirst records to record provision of fair processing information to clients, as planned.	2	Completed	01/07/16	31/12/16	Response from Lynda Cox, Caldicott Guardian 06.10.2016: Fair Processing is recorded in the pack that goes to families when services first contact them.	Complete
c14	Fair processing proposals for the Wiltshire Single View project should be discussed and agreed as appropriate, and should be in line with the relevant legal framework.	2	Completed	01/05/15	01/05/16		Complete
c16	The Wiltshire Single view PIA should be developed, discussed and agreed in line with project requirements, and the use of specialist IT staff included as proposed.	2	Completed	04/01/16	30/06/16		Complete
c19	Council to introduce a specific process for the assessment / authorisation of data sharing agreements, even where part of a contract.	2	Completed	01/05/15	01/09/16		Complete
c5	The 'Decision Making Process for Single View of Client (SVOC) Data Sharing DRAFT' and the proposed SVOC Governance Board Terms of Reference should be considered and approved by all parties, as appropriate and in line with the agreed process. Please see below for additional requirement relating to the Single View Documents	2	Completed	01/01/15	30/04/15	Documents require review but were created & approved in Nov 2015	Complete
c7	Training or awareness raising sessions should be provided in line with Council data sharing procedures, for staff who are routinely involved in data sharing activities.	2	Completed	27/06/16	30/09/17		Complete

**Wiltshire Council**

**Audit Committee**

**26<sup>th</sup> October 2016**

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## **Future External Audit Appointment Process**

### **Executive Summary**

This report updates Audit Committee on the future options for appointing the Council's external auditors following changes in legislation, and seeks the Committees input and thoughts on the options. There are three options:

1. undertake an individual auditor procurement and appointment exercise;
2. undertake a joint audit procurement and appointing exercise with other bodies, those in the same locality for example; or
3. join a 'sector led body' arrangement where specified appointing person status has been achieved under the relevant Regulations

### **Proposal**

Audit Committee are invited to consider and comment on the future process to appoint the Council's external auditors.

### **Reason for the Proposal**

Changes to legislation following the dissolution of the Audit Commission require the Council to take a decision by December 2017. All of the options will require time to prepare for and as such views of the Audit Committee are being sought on the next steps / direction.

**Michael Hudson**

Associate Director, Finance (Section 151 Officer)

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**Future External Audit Appointment Process**

**1. Purpose of this report**

- 1.1 Due to pending changes in the legislative requirements to appoint public body auditors following the Local Accountability and Audit Act 2014 that dissolved the Audit Commission, the Council has to determine an appropriate route to appoint its external auditors for the 2018/19 audit and beyond.

**2. Background**

- 2.1 Following an announcement to dissolve the Audit Commission, the Secretary of State for Communities and Local Government delegated statutory functions (from the Audit Commission Act 1998) to Public Sector Audit Appointments Limited (PSAA) on a transitional basis by way of a letter of delegation issued under powers contained in the Local Audit and Accountability Act 2014. PSAA is an independent company limited by guarantee incorporated by the Local Government Association in August 2014.
- 2.2 Under these transitional arrangements, the PSAA therefore is currently responsible for appointing auditors to local government, police and local NHS bodies, for setting audit fees and for making arrangements for the certification of housing benefit subsidy claims. In July 2016 the Secretary of State for Communities and Local Government extended the transitional period until after the 2017/18 audit.
- 2.3 Going forward after that audit public sector bodies have three options under legislation and regulations to appoint external auditors:
1. undertake an individual auditor procurement and appointment exercise;
  2. undertake a joint audit procurement and appointing exercise with other bodies, those in the same locality for example; or
  3. join a 'sector led body' arrangement where specified appointing person status has been achieved under the relevant Regulations

2.4 This effectively means Wiltshire Council (and it is assumed Wiltshire Pension Fund, although silent in legislation and guidance despite request for clarity) must have selected one of these options by December 2017 in readiness for the 2018/19 audit. Given the various times to enact these options clarity on which option is preferred by the Council is sought now. As part of that process and given some of the direct impact on this Committee its views are sought to inform the appointment process decision. This paper considers each option.

### **3. Main Considerations**

#### **- Option 1: individual auditor procurement and appointment**

- 3.1 One of the former Secretary of States reasons for abolishing the Audit Commission was to give public bodies' greater freedom over the appointment of external auditors akin to the private sector.
- 3.2 Regulations now give the Council the ability to appoint an external auditor independent of any regulatory body. The process to do so requires that it convenes an auditor panel that must consist of a majority of independent members (or wholly of independent members), and must be chaired by an independent member. That includes ensuring that the panel member has not been a member or officer of the authority, (included a connected or a close friend relationship, which again includes any individual with a contractual relationship with the council) within the period of 5 years ending with that time. So similar to the Independent Members Remuneration Panel.
- 3.3 The Authority will need to undertake an independent procurement exercise, setting out a specification and tender that meets the National Audit Office Code of Practice and relevant legislation. There is a [local auditor register](#) maintained by the ICAEW which lists the audit firms that have been registered as local auditors and the key audit partners who have met the eligibility criteria.
- 3.4 The Independent Audit Panel would be engaged in this process taking advice from officers, and ultimately recommending an appointment to Full Council. Full Council could determine not to accept the Panel's recommendation, but would need to publish a reason with 28 days.

3.5 Further guidance on auditor panels has been issued by the HFMA for NHS bodies and by CIPFA for local government bodies: [HFMA guidance / CIPFA guidance](#). In addition the Audit Commission produced a report and slide pack summarising the lessons learnt from its 2012 and 2014 procurements of audit services as a list of factors that contributed to the delivery of successful outcomes for both procurements. The lessons learnt may be helpful in generally informing procurements of audit services undertaken by individual local public bodies or collective procurement bodies under the new arrangements. However, it should be noted that the procurements undertaken by the Commission were unique to the Commission's regime and the approaches taken may not be relevant in their entirety to other procurements. Also available is a blank template contract between the Commission and audit firms for principal body audit services .

- [Learning the lessons from the 2012 and 2014 Audit Commission procurements of audit services \(PDF document\)](#)
- [Learning the lessons from Audit Commission procurements \(PowerPoint document\)](#)
- [Principal Bodies Standard Contract Terms \(PDF document\)](#)

3.6 The procurement process will thus be at the council's cost / capacity. It is also unsure if one council in a geographical position, such as Wiltshire away from a city, would draw sufficient competition to secure an economic bid.

- **Option 2: joint audit procurement and appointing exercise with other bodies**

3.7 A variation of option 1 is that more than one public sector body can combine and carry out a joint audit procurement exercise. It is assumed that a tender could be complicated if it were across sector or with partners who did not administer a Pension Fund.

3.8 The process is also complicated by the requirement for each to be appointing body still and joint Audit Panel. This could result in scenarios whereby even after tender submissions prices vary as not all councils or bodies sign up. This risk could negate any economies of scale.

3.9 Initial soft market consultation has shown little interest in this option across the South West.

- **Option 3: join a 'sector led body' arrangement**

- 3.10 In July 2016, the Secretary of State for Communities and Local Government specified PSAA as an appointing person under regulation 3 of the Local Audit (Appointing Person) Regulations 2015. This means that that the PSAA can make auditor appointments for audits of the accounts from 2018/19 of principal authorities that choose to opt into its arrangements. Further information on PSAA's new role can be found [here](#).
- 3.11 The aim is to award contracts to audit firms by June 2017, giving six months to consult with authorities on appointments before the 31 December 2017 deadline. As such it is anticipated that invitations to opt in will be issued before December 2016 at the latest. Thus Wiltshire would need to express an interest by January 2017.
- 3.12 In accordance with Regulation 19 of the Local Audit (Appointing Person) Regulations 2015, a principal authority will need to make the decision to opt in at full council. As such this would need to go to January Full Council.
- 3.13 There are still a number of uncertainties with this option. Including how many other bodies would elect for this route to drive economies of scale and what the period of appointment via this process would be. Although initial discussions with neighbouring bodies across the south west region has identified that at this stage there is a strong indication that the preferred route that will be selected is option three. This is seemingly from networks also the favoured choice across England of Directors of Finance for similar bodies. However, that is not a guarantee it will be the final selected option when put to councils.

#### 4. Risk Assessment

4.1 The risks and opportunities for each option has been assessed as follows:

Risk / Opportunity	Option 1 – sole procurement	Option 2 – joint procurement	Option 3: Sector led
<b>Cost</b>	This option potentially carries the highest cost as involves greater cost to procure, including independent member costs potentially. It also runs a risk of reduced competition leading to higher fees.	A reduced risk from option one due to ability to share costs, however requires geographical agreement it would suggest to achieve this and even then likely to reduce competition give Wiltshire’s geographical positioning between cities where firms are based.	Carries lowest risk of increased costs due to high likelihood of buy in from the sector to this process giving greatest competition and opportunity for economies of scale. Also minimal / no cost for procurement.
<b>Impact of the Audit Committee</b>	Will require Independent Panel, including Independent Chair to consider and recommend procurement. However, gives more choice to the local authority, although this assumes competition is found for tenders.	This would require a joint committee type approach. As yet it is not clear how this would be structured. It would still need individual body appointment. Failure to follow Independent Panel advice would need to be explained and advertised at Full Council.	This only requires one change to the Council’s decision making process, that of Full Council acceptance to pursue this route. However, it potentially gives a perception of less freedom to appoint auditors.



<b>Risk / Opportunity</b>	<b>Option 1 – sole procurement</b>	<b>Option 2 – joint procurement</b>	<b>Option 3: Sector led</b>
<b>Range of choice</b>	There is a risk that even given the scale of Wiltshire its location could limit competition in the procurement process.	Depending on potential partners this could give a wider range of choice. However, current soft market conversations suggest this could be limited as neighbouring bodies seem to be favouring option 3.	Due to the national / regional level of contract award this option is likely to give the wider range of choice
<b>Quality of auditors</b>	This will remain regulated and assessed independently against the National Audit Office (NAO) Code of Practice. Whilst there could be a perception of better or worsening quality through the process this is a perception only and is being managed by NAO and PSAA.	This will remain regulated and assessed independently against the National Audit Office (NAO) Code of Practice. Whilst there could be a perception of better or worsening quality through the process this is a perception only and is being managed by NAO and PSAA.	This will remain regulated and assessed independently against the National Audit Office (NAO) Code of Practice. Whilst there could be a perception of better or worsening quality through the process this is a perception only and is being managed by NAO and PSAA.

<b>Risk / Opportunity</b>	<b>Option 1 – sole procurement</b>	<b>Option 2 – joint procurement</b>	<b>Option 3: Sector led</b>
<b>Timing and capacity.</b>	This option requires the longest lead in time, due to the need to appoint independent members, set out a procurement process and specification assess and appoint. This option will inevitably take up the greatest capacity of officers and councillors time of all the options.	This option potentially requires as long a lead in process as option 1 due to the need for all bodies to reach agreement on the process, specification and appointment. Although it would be hoped time could be reduced due to increased shared capacity.	This option is similar to the current process and thus involves the shortest timeframe and least impact on officer capacity.

## **5. Equality and Diversity Impacts of the Proposal**

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

## **6. Financial Implications**

6.1 Each options carries different risks regarding both the cost of future external audits. It is assumed that option three – to join a sector led approach, will provide the lowest risk regarding fee increases and procurement costs.

6.2 It is assumed the quality of auditor’s appointed and fiduciary risk is equally managed for all three options.

## 7. **Legal Implications**

7.1 There is a statutory requirement for the Council to have external auditors. Changes to legislation now set out the requirements and options for public bodies to appoint those auditors. This paper considers the various options available to meet the statutory requirements under the The new arrangements for the audit and accountability of local public bodies are set out in the [Local Audit and Accountability Act 2014](#), and the following Regulations issued under the Act: [The Accounts and Audit Regulations 2015](#) and [The Local Audit \(Appointing Person\) Regulations 2015](#).

7.2 The appointment process finally chosen will have to follow this legislation. Legal will advise on that process in due course.

## 8. **Public Health Implications**

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

## 9. **Environmental Implications**

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

## 10. **Safeguarding Implications**

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

## 11. **Options Considered**

11.1 This paper sets out the three options open to the Council under current legislation.

## 12. **Reasons for Proposals**

12.1 Changes to legislation following the dissolution of the Audit Commission require the Council to take a decision by December 2017. All of the options will require time to prepare for and as such views of the Audit Committee are being sought on the next steps / direction.

13. **Proposal**

- 13.1 Audit Committee are invited to consider and comment on the future process to appoint the Council's external auditors.

**Michael Hudson**  
Associate Director, Finance

Report Author: **Michael Hudson** - Associate Director, Finance

## AUDIT FORWARD PLAN

### PROPOSED WORK PROGRAMME FOR THE AUDIT COMMITTEE - 2016/17

Meeting Date and Time	Name of Report	Report Author	Deadline for submission of report	Publication dates
Wednesday 26 October 2016  10.30 a.m.  Page 93	Q2 IA report	SWAP	12/10/16	18/10/2016
	Annual Audit Letter 2015/16 **	KPMG	12/10/16	18/10/2016
	Update on Information Governance Improvement Plan	Dr Carlton Brand	17/10/16	18/10/2016
	Update on PSN Health Check Action Plan - <b>Part 2 item</b>	Dr Carlton Brand	17/10/16	18/10/2016
	Procurement of External Audit	Michael Hudson	17/10/16	18/10/2016
Tuesday 24 January 2017	Grant Certification Report 2015/16	KPMG	10/01/2017	16/01/2017
	Q3 IA report	SWAP	10/01/2017	16/01/2017

**PROPOSED WORK PROGRAMME FOR THE AUDIT COMMITTEE - 2016/17**

2pm				
Wednesday 26 April 2017 2pm	Q4 IA report	SWAP	11/04/17	18/04/17
Wednesday 26 July 2017  10:30am  Page 94	IA Annual Report 16/17	SWAP	12/07/17	18/07/17
	Q1 IA report	SWAP	12/07/17	18/07/17
	Annual Governance Statement	Legal	17/07/17	18/07/17
	Report to those Charged with Governance (ISA 260) 2016/17	KPMG	12/07/17	18/07/17
	Financial Statement and VFM Options	KPMG	12/07/17	18/07/17
Tuesday 31 October 2017 2pm	Q2 IA report	SWAP	17/10/17	23/10/17
Wednesday 24 January 2018 10:30am	Q3 IA report	SWAP	10/01/18	16/01/18

## PROPOSED WORK PROGRAMME FOR THE AUDIT COMMITTEE - 2016/17

\* Whether this is a full report or a brief letter will depend upon the nature and extent of any issues identified.

\*\* The timing of these reports may be subject to change depending upon the nature of any issues found and the time taken to resolve these.

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