

AGENDA

Meeting: Audit Committee
Place: The Kennet Room - County Hall, Trowbridge BA14 8JN
Date: Wednesday 14 February 2018
Time: 10.00 am

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

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

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Membership:

Cllr Richard Britton (Chairman)	Cllr Jim Lynch
Cllr Tony Deane	Cllr Andy Phillips
Cllr Stewart Dobson (Vice-Chairman)	Cllr Leo Randall
Cllr Mike Hewitt	Cllr Ian Thorn
Cllr Tony Jackson	Cllr John Walsh
Cllr Edward Kirk	

Substitutes:

Cllr Ian Blair-Pilling	Cllr Ross Henning
Cllr Anna Cuthbert	Cllr Ruth Hopkinson
Cllr Peter Evans	Cllr Jon Hubbard
Cllr Gavin Grant	Cllr Ricky Rogers

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Public Participation

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

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

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

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

AGENDA

Part I

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

1 **Apologies**

To receive any apologies or substitutions for the meeting.

2 **Minutes of the Previous Meeting** (*Pages 7 - 10*)

To confirm and sign the minutes of the meeting held on 12 December 2017.

3 **Declarations of Interests**

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

4 **Chairman's Announcements**

5 **Public Participation**

The Council welcomes contributions from members of the public.

Statements

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

Questions

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

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

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

6 **SWAP Internal Audit Activity Update** (*Pages 11 - 48*)

To provide an update to the Audit Committee on the work and performance of Internal Audit (IA) for 2017/18, at end of January 2018. It provides a summary of Progress made in:

- Delivering the 2017/18 Internal Audit and Counter Fraud Plans, by identifying audits completed, or in-progress compared to the original plan.
- The progress of management in responding to audit recommendations.
- The council's overall control environment.

7 **KPMG - Wiltshire Council - Annual Grants Report 2017/18** (*Pages 49 - 58*)

To consider the Annual Grants Report 2017/18 from KPMG.

8 **KPMG - Wiltshire Council - Audit Plan 2017/18** (*Pages 59 - 86*)

To consider the Annual Audit Plan from KPMG.

9 **Audit Task and Finish Group** (*Pages 87 - 92*)

To approve the Audit Task and Finish group inline with the proposed Terms of Reference.

10 **Forward Work Programme** (*Pages 93 - 96*)

To note the Forward Work Programme

11 **Date of Next Meeting**

To note that the next regular meeting of the Committee will be held at 10am on 11 April 2018.

12 **Urgent Items**

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

Part II

Items during whose consideration it is recommended that the public

**should be excluded because of the likelihood that exempt
information would be disclosed**

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AUDIT COMMITTEE

MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 12 DECEMBER 2017 AT THE KENNET ROOM - COUNTY HALL, TROWBRIDGE BA14 8JN.

Present:

Cllr Richard Britton (Chairman), Cllr Stewart Dobson (Vice-Chairman), Cllr Mike Hewitt, Cllr Tony Jackson, Cllr Leo Randall, Cllr Ian Thorn, Cllr John Walsh and Cllr Philip Whitehead

Also Present:

Michael Hudson, Robin Townsend, Ian Gibbons, Darren Gilbert, and Ian Withers.

39 Apologies

Apologies for absence were received from Cllr Tony Deane and Cllr Andy Phillips.

40 Minutes of the Previous Meeting

Resolved:

To confirm the minutes of the meeting held on 26 September 2017.

41 Declarations of Interests

There were no declarations of interest.

42 Chairman's Announcements

The Chairman advised he had circulated proposals to establish a Working Group to explore the remit of the Audit Committee. It was considered the Council's Constitution and Committee Terms of Reference should more clearly identify the roles and responsibilities of the Committee. The Chairman suggested that if such a Working Group be established, any recommendations formed should be taken forward to the Standards Committee and Full Council. The membership of a Working Group was discussed and Cllrs Jackson and Dobson indicated their interest to service on such a working group. It was acknowledged that further work was required to develop proposals for a working group before formal consideration by the Committee.

Resolved:

To note the Chairman of the Audit Committee and officers will meet to discuss the potential for a Working Group to investigate the remit of the Audit Committee and bring formal proposals for a Working Group Terms of Reference to the February meeting

43 **Public Participation**

There were no members of the public present.

44 **KPMG - Wiltshire Council - Annual Audit Letter 2016-17**

Darren Gilbert, KPMG, explained the auditor had issued an unqualified opinion on the Authority's financial statements on 26 July 2017 which meant the financial statements were considered to give a true view of the financial position of the Authority and of its expenditure and income for the year. The statements also included those of the Pension Fund.

Questions were raised as to the impact of the Wiltshire Pension Fund pooling assets into Brunel Pension Partnership; it was understood the auditors for Brunel and the Fund would work together to identify which areas they should focus on. It was also confirmed the Fund's liabilities were Wiltshire specific. The Committee discussed the undervaluing of the Council's housing stock by the external valuer as identified in the report. In response to this it was explained the undervaluation had not resulted in a financial loss to the Council, however the matter had been raised with the valuer which was in the final year of its contract.

Resolved:

To agree the Annual Audit Letter from Wiltshire Council's external auditors.

45 **KPMG - Wiltshire Council - Audit Fee letter 2017-18**

KMPG introduced their 2017-18 Audit Fee Letter which started the process for the 2017-18 audit and the process for fee-setting was explained. A discussion was had on the assumptions used to set the audit fee and it was confirmed KMPG had raised no issues in terms of previous process problems to be addressed.

Resolved:

To agree the audit fee letter from Wiltshire Council's external auditors.

46 **SWAP Internal Audit Activity Update**

The report to Committee updated on the progress of the Internal Audit in respect of delivering the 2017/18 Internal Audit and Counter-Fraud Plans, managing response to audit recommendations and the Council's overall control environment.

SWAP highlighted key improvements had been made since the last report to Committee and many outstanding issues had since been addressed. The Chairman commented he was pleased with the report and implementation of the audit recommendations.

Committee members asked about the development of the Council's Whistleblowing Policy against fraud and were advised this was in the process of being reviewed to ensure it remained effective. In respect of Housing Benefit Fraud, councillors heard the public could report this through the website and did make use of this facility. Councillors encouraged that the finance team work with Communications to promote the Anti-Fraud Plan. The Chief Finance Officer confirmed the Anti Fraud and Corruption Strategy would be brought to the April meeting of the Committee.

The process of the Healthy Schools work was discussed and it was highlighted 12 of the 14 schools had been audited. The Chairman thanked SWAP for an improved and comprehensive report.

Resolved:

To note the Internal Audit Activity for 2017/18 and the outcomes of audit and counter fraud work completed to date.

To encourage liaison with the Council's Communications team to promote the Counter-Fraud Plan.

47 **Forward Work Programme**

The Committee considered its Forward Work Programme and requested it be used to forecast further meetings ahead.

Resolved:

To request the Forward Work Programme be extended to cover future meeting dates.

48 **Date of Next Meeting**

The next meeting was to be held on 14 February 2018.

49 **Urgent Items**

There were no urgent items.

(Duration of meeting: 2.00 - 3.00 pm)

The Officer who has produced these minutes is Libby Johnstone, of Democratic Services, direct line 01225 718214, e-mail libby.johnstone@wiltshire.gov.uk

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

Wiltshire Council

Audit Committee

14th February 2018

SWAP Internal Audit Activity Update – February 2017

1. Purpose of the Report

1.1 To provide an update to the Audit Committee on the work and performance of Internal Audit (IA) for 2017/18, at end of January 2018. It provides a summary of Progress made in:

- Delivering the 2017/18 Internal Audit and Counter Fraud Plans, by identifying audits completed, or in-progress compared to the original plan.
- The progress of management in responding to audit recommendations.
- The council's overall control environment.

2. Executive Summary

2.1 Currently 59 general audits have commenced relating to the 2017/18; and 100% of audits carried forward from 2016/17 have also been completed. Of these 59 audits, 22 have been completed to final report, 3 are at draft stage and 34 are in progress.

2.2 In addition, 14 counter fraud audits have commenced. Of these 14 audits, 5 have been completed to final report, 1 is at draft stage and 8 are in progress.

2.3 From this work, no high significant 'corporate' risks have so far been identified.

2.4 The Internal Audit and Counter Fraud Activity Updates at Appendix A and 8, include 8 amendments to audits planned i.e. 4 merged, 2 deferred to 2018/19 and 1 additional.

2.5 The time to finalise reports has improved significantly from 2016/17 with

71% of reports issued within the targets of 5 days for draft and 86% completed within 10 days from issuing of the draft report for final. Whilst this is still below the high target the direction of travel is pleasing. There remains a slightly poorer performance in finalising school audits and the target for these is perhaps in need of extension to reflect the more remote working arrangements and environment.

- 2.6 Overall 89% and 82% of the general and counter fraud audit plan has been commenced. This is slightly behind the original forecast due in part to SWAP being under full establishment and senior officers requesting audits to be slipped to allow for the recent LGA Peer inspection.
- 2.7 To deliver the plan by year end it has been agreed with senior officers that a number of audits are moved to quarters three and four. No audits have been removed, although two audits have been merged (Corporate Debt and accounts Receivable).
- 2.8 The SWAP report identifies that a total of 314 recommendations (Priority 5,4,3 and Health Organisation) have been raised relating to the 82 audits completed for 2016/17 and 25 for the 2017/18 audits completed to date to (draft or final, and 6 in relation to Counter Fraud). The breakdown of these is that 1168 related to the Council and 146 related to School Audits.
- 2.9 Of the 314 recommendations, 194 relate to 2016/17 and 120 to 2017/18. Of the 120 raised for 2017/18 audits 20 (16%) recommendations were assessed as Priority 4 (second highest category) and 100 (86%) were Priority 3. Overall for the two years there were 5 (7%) audits completed that were deemed of a substantial assurance, 42 (57%) reasonable with assurance and only 14 (19%) with partial assurance (10 for 2016/17 and 4 for 2017/18 to date). None were deemed no assurance, with the balance of 17% relating to audits where no opinions were given, e.g. grants. As such the control environment remains strong.
- 2.10 There are now 53 recommendations that are still outstanding greater than 120 days past their due implementation date. Work is ongoing to address this further and it is hoped no outstanding audit actions will be reported at the next Committee update.
- 2.11 It is pleasing to note that SWAP's Customer Satisfaction scores have maintained high and at 81% overall is welcomed. The trend will be appraised by the senior officers and the Committee to assess the ongoing feedback.

3. Proposal(s)

3.1 Members are asked to note the Internal Audit Activity for 2017/18 and the outcomes of audit and counter fraud work completed to date.

3.2 Members are asked to agree the amendments to the Internal Audit and Counter Fraud Plans for 2017/18 in respect of planned audits..

4. Reason for Proposal

4.1 To ensure an effective Internal Audit, and that the Council is effectively managing its financial, governance and counter fraud frameworks to manage within a strong control environment.

Michael Hudson
Director of Finance, S.151 Officer

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

Appendices:

A – Report on Internal Audit Activity 2017/18 December Update

B - Report on Internal Audit Counter Fraud Activity 2017/18 December Update

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Wiltshire Council

Report of Internal Audit Activity 2017/18

February Update

Page 15

Contents

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Summary:

Audit Opinion

Page 1



Internal Audit Work Programme 2017/18

Role of Internal Audit Work & Audit Work Quarter Summary

Page 2

Internal Audit Work Programme 2017/18

Page 3

Efficiencies and Added Value

Page 4

SWAP Performance

Page 9

Page 10

SWAP Quality Assessment

Page 11

Amendments to Annual Audit Plans 2017/18

Audit Framework Definitions

Page 13

Appendix 1: Internal Audit Plan Update 2017/18

Page 15

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, we can report that risks are generally well managed and the systems of internal control are working effectively. Management generally respond positively to Internal Audit recommendations for improvements and corrective action is often taken quickly, wherever this is possible or practical.

SWAP now has 24 partners, including 18 local authorities and are proud to be a growing partnership.



Role of Internal Audit and Audit Work Summary

Our internal audit activity is broadly split between:

- **Healthy Organisation**
 - Corporate Governance
 - Commissioning & Procurement
 - Financial Management
 - Programme & Project Management
 - Performance Management
 - People and Asset Management
 - Information Management
- Requested by Management
- Key Financial Systems
- Schools
- Follow-up
- Grants
- Client Support

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.

For the 2017/18 Audit Plan we have so far initiated 59 audits and reviews (89% of planned), of which 21 are completed to final report and 4 are at draft report stages. All audits have been completed for 2016/17 and included in the Internal Audit Activity and Annual Opinion 2016/17 report.

Internal Audit Work Plan 2017/18

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.

59 audits have been initiated for 2017/18, 25 at final or draft report stage. A total of 6 priority 4 and 75 priority 3 recommendations have been made so far for 2017/18 audits.

4 audit reports have so far been issued giving partial assurance for 2017/18



Internal Audit Work Programme

The table at Appendix 1, shows all audits as per the agreed Internal Audit 2017/18. 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 Annual Audit Plan. Explanations for any delays or action taken to agree and finalise audit reports is given in the comments column.

Each completed audit to final or draft report, includes its respective “assurance opinion” rating together with the number and relative ranking of recommendations that have been raised and agreed with management. In such cases, the Committee can take assurance that improvement actions have been agreed with management. The assurance opinion ratings have been determined in accordance with the Internal Audit “Audit Framework Definitions” as detailed from page 13 of this report.

In circumstances where findings have been identified which are considered to represent significant corporate risks to the Council, these would be included in this activity report. We are pleased to report that there are no significant risks for 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 would be included in this activity report. To date there are zero audits for 2017/18 that have resulted in a “No” but 4 audits have given a “Partial Assurance Opinion”, 2 at final report stage with actions agreed for improvement and 2 at draft report stage currently being discussed with management.

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.

Use of Data Analytics and IDEA Software Tool We are continuing to increase the use of IDEA and other data analytics tools, as part of our normal audits. Recent examples in use include accounts payable and staff expenses in examining the 100% of the system data and identified cars not effectively issued for business use, putting the Council at risk of any claim.

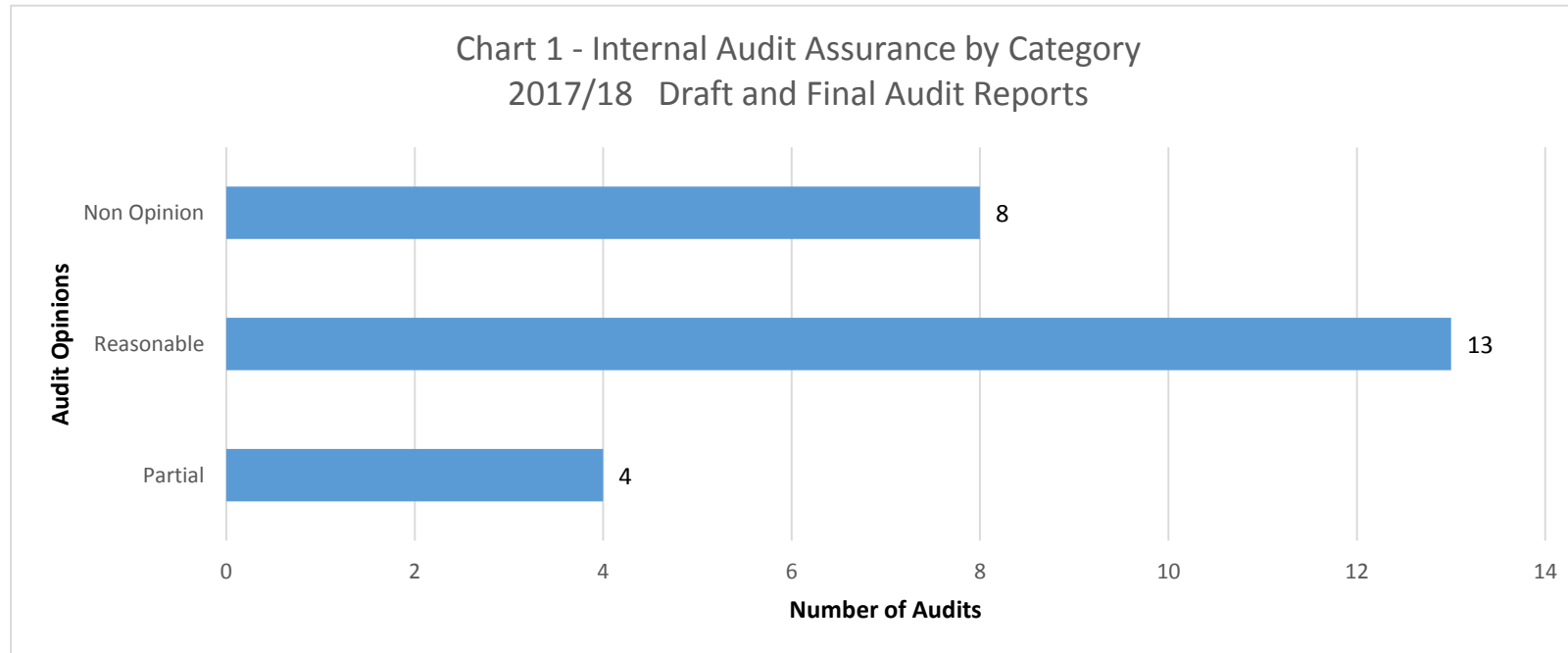
Healthy Organisation:

We are continuing to integrate the Healthy Organisation into our audit approach, in particular our planning and identifying areas of risk to audit and maximise value. The Healthy Organisation review commenced in January 2018 with one aim of informing the 2018/19 Internal Audit Plan that will be reported to the Audit Committee in May 2018.



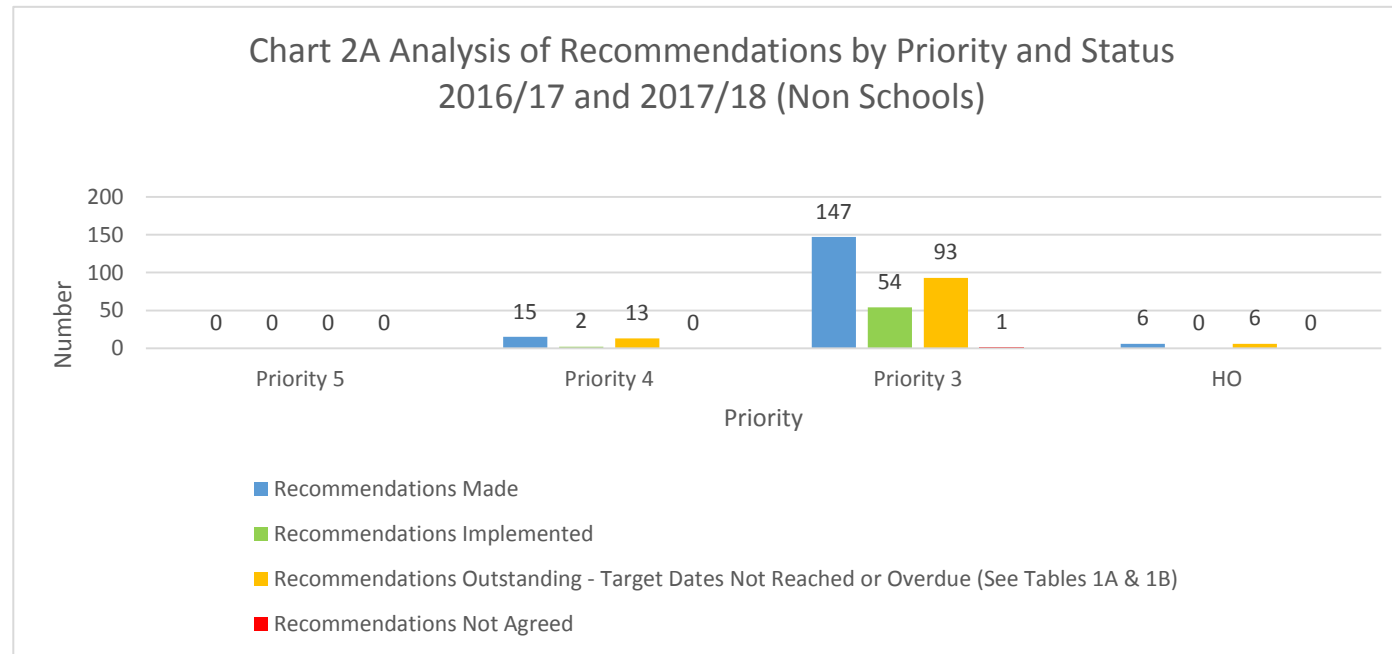
Assurance by Category

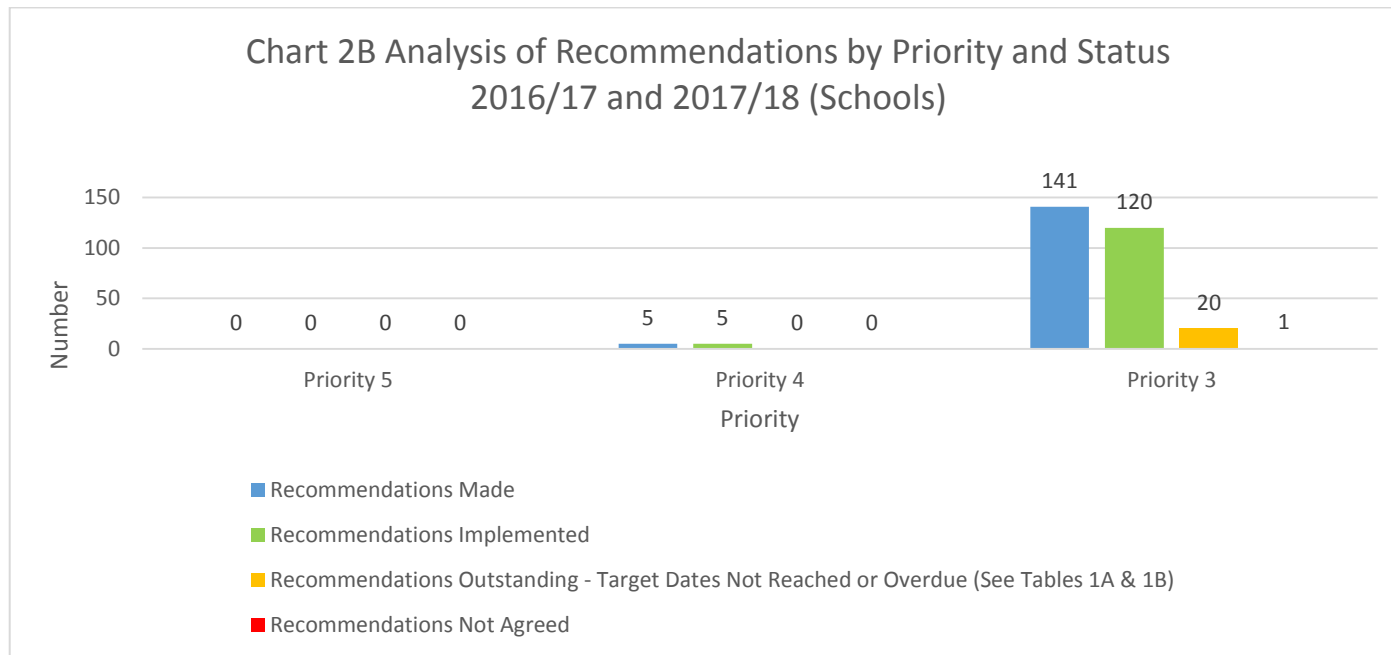
Chart 1 below provides an analysis of the audit assurance levels given in the 25 audits at final and draft report stage.



Audit Recommendations Made 2016/17 and 2017/18 (to date)

Charts 2A and 2B provide an analysis of total audit recommendations made during 2016/17 and 2017/18 in final and draft audit reports. These include audit recommendations where the agreed target implementation dates have not been reached and therefore the total outstanding will be different from overdue. We are following up those outstanding audit recommendations exceeding target implementation dates (overdue).





It is important that the organisation understands the position of agreed internal audit recommendations to ensure that they are implemented in a timely manner. The current position shows recommendations outstanding as 129 for both non-schools and schools. The position has improved since the last activity update report.

Tables 1A and 1B below shows an aged analysis of outstanding recommendations for schools and non-schools audits i.e. not implemented but exceeding agreed target dates, carried out in 2016/17 and 2017/18

The overdue recommendations are currently being followed up either with the responsible Director and/or Service Manager including by the way of planned follow up audits and shows a significant reduction in the level of outstanding recommendations from the last Activity Report (September 2017).

Table 1A – Aged Analysis of Overdue Audit Recommendations - Exceeding Target Implementation Dates (Non-Schools) 2016/17 and 2017/18

Priority	<30 days	< 60 days	< 90 days	< 120 days	120+ days	Totals
4	3	2	2	2	2	11
3	0	5	5	7	40	57
HO	0	0	0	0	6	6
Totals	3	7	7	9	48	74-

Table 1B - Aged Analysis of Overdue Audit Recommendations - Exceeding Target Implementation Dates (Schools) 2016/17 and 2017/18

Priority	<30 days	< 60 days	< 90 days	< 120 days	120+ days	Totals
4	0	0	0	0	0	0
3	0	5	2	1	5	13
Totals	0	5	2	1	5	13

A verbal update will be provided at the Audit Committee meeting on any further progress and position regarding the implementation of outstanding audit recommendations.

Internal Audit Work Plan 2017/18

The Assistant Director and Director for SWAP reports performance on a regular basis to the SWAP Management Team and Partnership Board.

SWAP Performance

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 2017/18 year so far are as follows:

Performance Target	Average Performance
<u>Audit Plan – Percentage Progress (Audits)</u>	
16/17 completion (to final)	100%
17/18 Final/Draft	25 (38%)
17/18 In Progress	34 (51%)
17/18 Yet to Start	7 (11%)
<u>Draft Reports 2017/18</u>	
Issued within 5 working days of closeout	71% (Target 95%)
Issued within 10 working days of closeout	86% (Target 100%)
<u>Final Reports 2017/18</u>	
Issued within 10 working days of discussion of draft report.	100% (Target 95%)
<u>Quality of Audit Work</u>	
Customer Satisfaction Questionnaire	81% (Target 80%)

The fact that the number of audits at draft/final is low (38%) is to be expected for this time of the year and in line with previous years and a large number of audits are in progress (51%). The team has experienced higher than expected staff sickness and vacancies levels in quarters 2 and 3. One Principal Auditor and one Assistant Auditor commenced with the team at the beginning of January and we are currently recruiting for two further Senior Auditors. The shortfall in resources is being further managed by using staff resources from other SWAP partner sites and deferring some audits to start later in the year than planned.

SWAP reports performance on a regular basis to the SWAP Management and Boards.



SWAP Quality Assessment

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 80% is set where 75% would represent a 'good' score. The actual achieved is 81% and this is consistent with the previous activity update report.

Internal Audit Work Plan 2017/18

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

Amendments are required to be agreed by the Director of Finance & Procurement (S151 Officer) and the Audit Committee.



Amendments to Annual Audit Plan 2017/18

Our approach is aimed to be flexible and respond to changes in risks and needs of the Council. Our 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 required are agreed with the Director of Finance & Procurement (Section 151) and the Audit Committee.

The following table provides proposed amendments to the Annual Internal Audit Plan 2017/18 and the Audit Committee is requested to agree.

Audit	Amendment	Reason
Corporate Debt Recovery	Merge	Risks and issues identified at planning stage (March 2017) changed and decision taken to merge with Accounts Receivable Audit where there is overlap of scope.
Capital Accounting	Merge	From recent discussions with Chief Accountant and Senior Manager. KPMG agreed duplication with planned external audit work. Monitoring element to be included in audit of Main Accounting System.,
Financial Regulations and Contract Standing Orders	Deferred to 2018/19	Due to changes planned to Finance and Procurement agreed with Chief Accounting that timing of audit would be better in early 2018/19.
Network Management	Merged	Significant duplication now with SWAP Cyber Security Audit Workplan.

Performance Management Framework	Deferred	Due to the delay to quarter 4 of the Healthy Organisation audit, there is some duplication with the Performance Audit. We have also been requested by the Client to defer due to changes being made to the Council's Performance Management Framework, therefore the timing of the audit would be better in 2018/19 Quarter 1.
Housing & Communities Agency (HCA) Quarterly Certificates	Added (New)	Short audit review requested by Director of Finance & Procurement to provide assurance.

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

Substantial		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.
Reasonable		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.
Partial		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.
None		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
Low	Issues of a minor nature or best practice where some improvement can be made.
Medium	Issues which should be addressed by management in their areas of responsibility.
High	Issues that we consider need to be brought to the attention of senior management.
Very High	Issues that we consider need to be brought to the attention of both senior management and the Audit Committee.

Audit Plan Area	Audit Title	Quarter Planned Start	Actual Start (Fieldwork)	Audit Status	Opinion	Draft Report Issued	Final Report Issued	Recommendations/Actions						Comments
								5 = Major		↔		1 = Minor		
								No. of Recs	5	4	3	2	1	
2017/18 Audits at Final/Complete (Status Green)														
Healthy Organisation – Financial Management	Use of Consultants and IR35	1	02/05/2017	Final	Reasonable	11/08/2017	18/10/2017	6	0	0	6	0	0	Complete. Was some delay in between draft and final as officer on leave.
Healthy Organisation – Financial Management	Concessionary Fares	2	17/07/2017	Final	Partial	10/11/2017	30/11/2017	6	0	4	2	0	0	Audit delayed due to awaiting information and meeting consultants.
Health Organisation – Commissioning & Procurement	Contract Management Framework	2	18/07/2017	Draft	Reasonable	23/11/2017	25/01/2018	5	0	0	5	0	0	Audit delayed due to availability of management plus other work priorities.
Healthy Organisation – Commissioning & Procurement	Highways Maintenance Contract	3	14/07/2017	Final	Reasonable	18/09/2017	04/10/2017	2	0	0	2	0	0	Final report issued and audit complete.
Healthy Organisation- Information Management	ICT Asset Management	1	10/07/2017	Final	Partial	14/11/2017	01/01/2018	5	0	0	5	0	0	Audit delayed due to restructure of ICT Division.
Schools	Fynamore Primary School	1	27/06/2017	Final	Reasonable	13/07/2017	14/07/2017	4	0	0	4	0	0	Commencement of audit delayed due to close down of accounts
Schools	Wilton and Barford Primary School	2	03/07/2017	Final	Reasonable	13/07/2017	18/07/2017	3	0	0	3	0	0	Final report issued and audit complete.
Schools	The Stonehenge School	2	18/09/2017	Final	Reasonable	06/11/2017	08/11/2017	4	0	0	4	0	0	Final report issued and audit complete.

Page 31

Audit Plan Area	Audit Title	Quarter Planned Start	Actual Start (Fieldwork)	Audit Status	Opinion	Draft Report Issued	Final Report Issued	Recommendations/Actions						Comments
								5 = Major		↔		1 = Minor		
								No. of Recs	5	4	3	2	1	
Schools	Broad Chalk Primary School	2	19/09/2017	Final	Reasonable	25/09/2017	27/09/2017	5	0	0	4	1	0	Final report issued and audit complete.
Schools	Great Wishford CofE Primary School	3	07/11/2017	Final	Reasonable	14/11/2017	30/11/2017	6	0	0	4	2	0	Final report issued and audit complete.
Schools	Bitham Brook Primary School	2	26/09/2017	Final	Reasonable	16/11/2017	30/11/2017	9	0	0	9	0	0	Start of audit delayed due to awaiting information from school. Now complete
Schools	Mere Primary School	3	16/11/2017	Final	Reasonable	30/11/2017	01/12/2017	8	0	0	5	3	0	Final report issued and audit complete.
Schools	Hindon CofE Primary School	3	10/10/2017	Final	Reasonable	16/10/2017	18/01/2018	3	0	0	3	0	0	Final report issued and audit complete.
Schools	St. Johns CofE Primary School	3	11/12/2017	Final	Reasonable	15/01/2017	31/01/2018	5	0	0	3	2	0	Issue of draft audit report delayed due to Christmas/New Year period. Now complete
Follow-Up	Vehicle Workshops	3	24/11/2017	Completed	Non-Opinion	-	-	-	-	-	-	-	-	All audit recommendations implemented.
Follow-Up	Bishops Cannings Primary School	2	02/10/2017	Completed	Non-Opinion	-	-	-	-	-	-	-	-	All audit recommendations implemented.
Follow-Up	St Barnabas CofE Primary School	2	26/10/2017	Completed	Non-Opinion	-	-	-	-	-	-	-	-	Actual start delayed due to request of the school.

Page 32

Audit Plan Area	Audit Title	Quarter Planned Start	Actual Start (Fieldwork)	Audit Status	Opinion	Draft Report Issued	Final Report Issued	Recommendations/Actions						Comments
								5 = Major		↔		1 = Minor		
								No. of Recs	5	4	3	2	1	
Follow-Up	Staverton CofE Primary School	1	-	Completed	Non-Opinion	-	-	-	-	-	-	-	-	Start delayed due to staff resource constraints and school holiday period. Fieldwork commencement being arranged with school for early December.
Follow-Up	Luckington Community School	1	22/11/2017	Completed	Non-Opinion	-	-	-	-	-	-	-	-	Start delayed due to staff resource constraints and school holiday period. Out of 14 P3 and 2 P4, 2 P3 remain outstanding.
Grants	Growth Hub	2	14/09/2017	Completed	Non-Opinion	-	28/09/2017	-	-	-	-	-	-	Grant claim certified.
Grants	Public Health Grant	2	14/09/2017	Completed	Non-Opinion	-	28/09/2017	-	-	-	-	-	-	Grant claim certified.
Grants	Bus Subsidy Grant	2	14/09/2017	Completed	Non-Opinion	-	28/09/2017	-	-	-	-	-	-	Grant claim certified.
2017/18 Audits at Draft (Amber Status)														
Healthy Organisation-Information Management	ICT Asset Management	1	10/07/2017	Draft	Partial	14/11/2017		5	0	0	5	0	0	Audit delayed due to restructure of ICT Division.
Requested by Management	Wiltshire & Swindon History Centre	2	19/07/2017	Draft	Partial	10/10/2017		8	0	2	6	0	0	Query raised by Centre manager over draft audit report being resolved by SWAP AD and expect to report to be finalised in early February.

Audit Plan Area	Audit Title	Quarter Planned Start	Actual Start (Fieldwork)	Audit Status	Opinion	Draft Report Issued	Final Report Issued	Recommendations/Actions						Comments
								5 = Major		↔		1 = Minor		
								No. of Recs	5	4	3	2	1	
Schools	Sutton Veny Primary School	3	22/01/2018-	Draft	Reasonable	31/01/2018		8	0	0	5	3	0	Audit visit delayed to January, requested and agreed with Head Teacher due to absence of Admin Officer.
2017/18 Audits in Progress (Amber Status)														
Healthy Organisation – Corporate Governance	Healthy Organisation Update	3	15/01/2018	Not Commenced										At request of management, audit delayed to quarter 4 due to LGA Peer Review. Background research and planning commenced but majority of fieldwork to be in March 2018.
Healthy Organisation – Corporate Governance	Officers Declarations of Interests, Gifts and Hospitality	1	05/06/2017	Fieldwork										1 st draft audit report completed but carrying out further comparison work with other swap partners. Draft audit report expected by 20 th April 2018.
Healthy Organisation – Corporate Governance	Council's Culture and Ethics	1	-	Planning & Initiation										Deferred to quarter 4 to coincide with timing of similar reviews across SWAP partners.
Healthy Organisation – Corporate Governance	Corporate Complaints	2	-	Planning & Initiation										Agreed to delay start of audit due to related review by management.
Healthy Organisation – Corporate Governance	Area Boards	2	07/12/2017	Fieldwork										Start of audit delayed due to staff resourcing problems.

Page 34

Audit Plan Area	Audit Title	Quarter Planned Start	Actual Start (Fieldwork)	Audit Status	Opinion	Draft Report Issued	Final Report Issued	Recommendations/Actions						Comments
								5 = Major		↔		1 = Minor		
								No. of Recs	5	4	3	2	1	
Healthy Organisation – Corporate Governance	Swindon and Wiltshire Local Enterprise Partnership (LEP)	2	05/01/2018	Fieldwork										Start of audit delayed due to staff resourcing problems.
Healthy Organisation – Programme & Project Management	Project Management Framework	2	09/01/2018	Fieldwork										Start of audit delayed due to management agreement of scope.
Healthy Organisation – Commissioning & Procurement	Client Passenger Transport	1	25/08/2017	Fieldwork										Audit delayed due to lead auditor on sick leave but currently due to return in December so recommence.
Healthy Organisation – Commissioning & Procurement	ICT Traded Services with Wiltshire Police	2	21/08/2017	Fieldwork										Approaching draft but awaiting information from client.
Healthy Organisation – Financial Management	Special Educational Needs	2	09/08/2017	Fieldwork										Audit delayed due to lead auditor on sick leave but currently due to return in December so recommence
Healthy Organisation – Financial Management	Better Care Fund	4	=	Planning & Initiation										Commenced in January 2018.
Healthy Organisation – People & Asset Management	Housing Needs	3	-	Planning & Initiation										Audit delayed due to lead auditor on sick leave but currently due to return in December so recommence
Healthy Organisation – People & Asset Management	Maintenance of Council Property	4	30/01/2018	Planning & Initiation										Planned to commence in February 2018

Page 35

Audit Plan Area	Audit Title	Quarter Planned Start	Actual Start (Fieldwork)	Audit Status	Opinion	Draft Report Issued	Final Report Issued	Recommendations/Actions						Comments
								5 = Major		↔		1 = Minor		
								No. of Recs	5	4	3	2	1	
Healthy Organisation – Information Management	Cyber Security	1	21/08/2017	Fieldwork										Audit start delayed due to engaging with cross SWAP themed work on cyber security to increased valued added.
Healthy Organisation – Information Management	Mobile Computing/Device Management	3	-	Planning & Initiation										Audit start delayed due to priority being given to other IT audits.
Healthy Organisation – Information Management	Data Sharing Protocols with Partners	4	-	Planning & Initiation										Commenced in January 2018
Key Financial Systems	Accounts Payable	3	01/11/2017	Fieldwork										Obtaining data sets for use of data analytics.
Key Financial Systems	Accounts Receivable	3	1/11/2017	Fieldwork										Audit merged with Corporate Debt Recovery and will include in scope.
Key Financial Systems	Treasury Management	3	16/01/2018	Fieldwork										At request of management, agreed to defer to January 2018. Now commenced.
Key Financial Systems	Housing and Council Tax Benefits	2	18/11/2017-	Fieldwork										Audit delayed due to staff resourcing difficulties in quarter 2. Now commenced.
Key Financial Systems	Council Tax	4	16/01/2018	Fieldwork										Commenced in January 2018
Key Financial Systems	Business Rates	4	16/01/2018	Fieldwork										Commenced in January 2018

Page 36

Audit Plan Area	Audit Title	Quarter Planned Start	Actual Start (Fieldwork)	Audit Status	Opinion	Draft Report Issued	Final Report Issued	Recommendations/Actions						Comments
								5 = Major		↔		1 = Minor		
								No. of Recs	5	4	3	2	1	
Key Financial Systems	Housing Rents	4	-	Planning & Initiation									Fieldwork planned to commence in February 2018	
Key Financial Systems	HR/Payroll	3	06/12/2017	Fieldwork									Audit planned and commenced December 2017.	
Key Financial Systems	Pensions	4	-	Planning & Initiation									Fieldwork Planned to commence in February 2018. Currently liaising with management over scope.	
Requested by Management	HCA Quarterly Certificates	4	30/01/2018	Fieldwork									Unplanned audit review requested by Director of Finance & Procurement (\$1510	
Schools	Thematic - Banking Arrangements	2	25/09/2017	Fieldwork									Approaching draft report. Further work requested to provide guidance to schools.	
Schools	Thematic - ICT Security	1	-	Planning & Initiation									Agreed with management to delay start and commence in December 2017. Currently planning and scoping audit. Fieldwork planned to commence in February 2018.	
Schools	Thematic - HR/Payroll	3	-	Planning & Initiation									Audit fieldwork planned to commence February 2018.	
Follow-Up	Land Charges	3	29/11/2017	Fieldwork									Discussing outstanding actions with management and solutions.	

Page 37

Audit Plan Area	Audit Title	Quarter Planned Start	Actual Start (Fieldwork)	Audit Status	Opinion	Draft Report Issued	Final Report Issued	Recommendations/Actions						Comments
								5 = Major		↔		1 = Minor		
								No. of Recs	5	4	3	2	1	
Follow-Up	Safeguarding	3	30/01/2018	Fieldwork										Planned to commence in December 2017 but delayed to January due to commencement of new member of staff.
Follow-Up	Right to Buy	3	30/01/2018	Fieldwork										.Planned to commence in December 2017 but delayed to January due to commencement of new member of staff.
Follow-Up	St Andrews CofE Primary	3	30/01/2018	Planning & Initiation										Planned to commence in December 2017 but delayed due to January 2018.
Grants	Troubled Families	3-4	12/09/2017	Fieldwork										Auditing periodic submissions of grant claims. Last in December 2017 and final due in March.2018.
2017/18 Audits Planned but not Commenced (Status Green)														
Healthy Organisation – Information Management	Cloud Based Computing	4		Not due to have Commenced										Planned to commence in March 2018
Requested by Management	European Funding	3		Not Commenced										Audit planned to commence December 2017. Delayed to February due to LEP audit being carried out in same area.

Audit Plan Area	Audit Title	Quarter Planned Start	Actual Start (Fieldwork)	Audit Status	Opinion	Draft Report Issued	Final Report Issued	Recommendations/Actions						Comments
								5 = Major		↔		1 = Minor		
								No. of Recs	5	4	3	2	1	
Key Financial Systems	Main Accounting	4		Not due to have Commenced										Agreed with client to commence Mid-February 2018.
Schools	Specific Schools (Actual schools to be decided quarterly) 2 remaining	1-4		Not due to have Commenced										Final 2 schools' audits to commence in February 2018.
Follow-Up	Early Years Funding	4		Not due to have Commenced										Planned to commence in December 2017 but issues with area and discussing with client whether to undertake a full review in quarter 1 of 2018/19..
Follow-Up	Housing Repairs	3		Not due to have Commenced										Planned to commence in December 2017 but issues with area and discussing with client whether to undertake a full review in quarter 1 of 2018/19.
Follow-Up	St Andrews CofE Primary	3		Not due to have Commenced										Planned to commence in December 2017 but delayed to February 2018.
Client Support (Status Green)														
Client Support	Corporate Advice	1-4					Ongoing through year							
Client Support	Annual Governance Statement	1-4					Ongoing through year							

Audit Plan Area	Audit Title	Quarter Planned Start	Actual Start (Fieldwork)	Audit Status	Opinion	Draft Report Issued	Final Report Issued	Recommendations/Actions						Comments
								5 = Major		↔		1 = Minor		
								No. of Recs	5	4	3	2	1	
Client Support	Audit Committee/Members Liaison	1-4					Ongoing through year							
Client Support	External Audit Liaison	1-4					Ongoing through year							
Client Support	Planning/Client Liaison	1-4					Ongoing through year							
Client Support	CLT Attendance and Reporting	1-4					Ongoing through year							
Client Support	Follow Up Contingency	1-4					Ongoing through year							

Page 40

Wiltshire Council

Report of Counter Fraud Activity 2017/18

February Update

Page 41

Summary

Contents

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Counter Fraud Programme 2017/18

Role of SWAP and Counter Fraud Work Summary

Page 1

Amendments to Counter Fraud Plan 2017/18

Page 2

Appendix 1: Counter Fraud Work Plan Update 2017/18

Page 3

Latest Protecting the English Purse report potentially identified nationally Council's fraud loss of £212m per annum.

14 audits and reviews have commenced in 2017/18 and 23 recommendations made.

2 audits given partial assurance.



Role of SWAP and Counter Fraud Work Summary

The Counter Fraud 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 and uses accredited counter fraud specialists.

SWAP aims to ensure an effective counter fraud framework operates for the Council to minimise the risk of financial and reputational loss. Further to raise fraud awareness across the Council by promoting a counter fraud culture. The Counter Fraud Plan for 2017/18 reflects SWAP's proactive and preventative approach but we ensure flexibility into being able to carry out reactive investigations as required.

For the 2017/18 Counter Fraud Plan 14 reviews have been initiated of which 5 are at final report stage and 1 at draft. 4 reasonable and 2 partial assurance opinions have been given in the final and draft audit reports. The audits have not identified any actual or potential fraudulent activity but common issues reported included ineffective procedures and improvement to cash handling and monitoring.

A key part of the Council's Counter Fraud Framework is the Anti-Fraud and Corruption Strategy. This has been reviewed by SWAP and a structure together with comments provided to the Council to assist the production and ensure an effective and embedded strategy.

SWAP have now taken over the lead for the National Fraud Initiative (NFI) for the Council and are currently liaising the handover from the previous Head of Service lead and liaising with the Counter Fraud Centre of the Cabinet Officer. An update on the outcomes and progress made on the NFI will be provided in the SWAP Annual Counter Fraud Report for 2017/18.



Amendments to Counter Fraud Plan 2017/18

Planned counter fraud work is detailed in Appendix 1. Our work remains under constant review to ensure that, if necessary, internal audit and counter fraud staff resources can be targeted at areas of fraud risk to the Council. Any changes that are required are agreed with the Director of Finance and Procurement (Section 151) and the Audit Committee.

The following are amendments to the Counter Fraud Plan for 2017/18 for which the Audit Committee is requested to agree.

Audit	Amendment	Reason
Housing Management	Deferred to 2018/19	Requested by Head of Housing to defer audit to 2018/19 due to resource constraints.
Data Analytics Exercises	Merged	Data analytics exercises merged with audit reviews and additional time included to extend scope e.g. payroll, accounts payable, staff travel, school admissions and expenses.

Audit Plan Area	Audit Title	Indicative Quarter Planned Start	Actual Start (Fieldwork)	Audit Status	Opinion	Draft Report Issued	Final Report Issued	Recommendations/Actions						Comments
								5 = Major		↔		1 = Minor		
								No. of Recs	5	4	3	2	1	
2017/18 Audits and Reviews at Final/Complete (Status Green)														
Counter Fraud – Internal Audit Reviews	Registration Service	1	24/04/2017	Final	Reasonable	07/07/2017	12/07/2017	3	0	0	3	3	0	Audit finalised.
Counter Fraud – Internal Audit Reviews	City Hall Salisbury	1	01/06/2017	Final	Reasonable	13/09/2017	20/09/2017	7	0	0	7	0	0	Audit start delayed due to change of lead auditor.
Counter Fraud – Internal Audit Reviews	Licensing (Taxi and Private Hire)	1	15/05/2017	Final	Reasonable	07/09/2017	09/11/2017	7	0	0	7	0	0	Audit start delayed due to awaiting information from management
Counter Fraud – Internal Audit Reviews	Car Parking	1	12/07/2017	Final	Reasonable	30/10/2017	31/10/2017	1	0	0	1	0	0	Follow-up work to review new car parking cash collection arrangements planned for 2018/19..
Counter Fraud – Internal Audit Reviews	Staff Travel and Expenses	2	01/10/2017	Final	Partial	23/11/2017	29/01/2017	5	0	0	5	0	0	Agreement and issue of final audit report delayed due to late response from client and further discussions over introduction of new controls.
2017/18 Audits and Reviews at Draft (Amber Status)														
Counter Fraud – Internal Audit Reviews	Market Trading	3	17/10/2017	Draft	Partial	25/11/2018	-	8	0	0	8	0	0	Issue of draft audit report small delay due to awaiting further information from client.
2017/18 Audits and Reviews in Progress (Amber Status)														
Counter Fraud – Proactive & Preventative	Counter Fraud Strategy & Framework	2	03/10/2017	Fieldwork										Review carried out of current Strategy including comparison with best practice. Comments provided to client and awaiting progress.

Page 45

Audit Plan Area	Audit Title	Indicative Quarter Planned Start	Actual Start (Fieldwork)	Audit Status	Opinion	Draft Report Issued	Final Report Issued	Recommendations/Actions						Comments
								5 = Major		↔		1 = Minor		
								No. of Recs	5	4	3	2	1	
Counter Fraud – Proactive & Preventative	National Fraud Initiative (NFI)	1-3	01/04/2017	Fieldwork										Ongoing and liaising.
Counter Fraud – Proactive and Preventative	Whistleblowing Arrangements	2	03/10/2017	Planning & Initiation										Review delayed due to waiting for initiation
Counter Fraud – Proactive and Preventative	Fraud Intelligence Hub	2-4	-	Planning & Initiation										Liaising with CIPFA Counter Fraud Centre over joining a pilot hub.
Counter Fraud -Reactive	Ad-hoc Investigations	1-4	20/11/2017	Fieldwork										One referral received by SWAP so far for 2017/18 and investigation taking place.
Counter Fraud – Internal Audit Reviews	Schools Admissions and Places Planning	3	-	Planning & Initiation										Awaiting agreement by Client to Terms of Reference.
Counter Fraud – Proactive and Preventative	Organisation Fraud Awareness	4	-	Planning & Initiation										Scoping for some initial review work in 2017/18 but expect further substantial review in 2018/19..
Counter Fraud – Proactive and Preventative	Fraud Referral Process	2	-	Planning & Initiation										Start delayed at request of Directors due to wider management review.
2017/18 Audits and Reviews Planned but Not Yet Commenced (Status Green)														
Counter Fraud – Internal Audit Reviews	Direct Payments (Children)	4	-	Not Yet Commenced										Planned to commence in January 2018.
Counter Fraud – Internal Audit Reviews	Financial Assessments	3	-	Not Yet Commenced										Audit deferred to quarter 4 due to staff resource constraints.

Audit Plan Area	Audit Title	Indicative Quarter Planned Start	Actual Start (Fieldwork)	Audit Status	Opinion	Draft Report Issued	Final Report Issued	Recommendations/Actions						Comments
								5 = Major			↔	1 = Minor		
								No. of Recs	5	4	3	2	1	
Counter Fraud – Internal Audit Reviews	Pupil Premium	2	-	Not Yet Commenced										Delayed due to issues over ability to carry out data matching and potential changes to Pupil Premium.

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Annual Report on grants and returns 2016/17

Wiltshire Council

February 2018



Contents

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Page 50

Page

Headlines	2
Summary of certification work outcomes	4
Fees	7

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).

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). After this, in relation to the certification of the Housing Benefit Subsidy grant claim, 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, by telephoning 020 7072 7445 or by writing to Public Sector Audit Appointments Limited, 3rd Floor, Local Government House, Smith Square, London, SW1P 3HZ.

Introduction and background

This report summarises the results of work we have carried out on the Council's 2016/17 grant claims and returns.

This includes the work we have completed under the Public Sector Audit Appointment certification arrangements, as well as the work we have completed on other grants/returns under separate engagement terms. The work completed in 2016/17 is:

- Under the Public Sector Audit Appointments arrangements we certified one claim – the Council's 2016/17 Housing Benefit Subsidy claim submitted to the Department for Work & Pensions (DWP). This had a value of £112 million;
- Under separate engagements we issued reports on two claims/returns as listed below:
 - Teachers' Pensions Contributions for the year ended 31 March 2017 with a value of £16 million; and
 - Pooling of Housing Capital Receipts 2016/17 with a value of £3 million.
- Also under a separate engagement, and in accordance with earlier timescales, we issued our report in relation to the Homes & Communities Agency ("HCA" now Homes England) Compliance Audit Checklist for 2017/18.

Certification and assurance results (Pages 4-6)

Our certification work on Housing Subsidy Benefit claim included:

- agreeing standard rates, such as for allowances and benefit incomes, to the DWP Circular communicating the value of each rate for the year;
- sample testing of benefit claims to confirm that the entitlement had been correctly calculated and was supported by appropriate evidence;
- undertaking an analytical review of the claim form considering year-on-year variances and key ratios;
- confirming that the subsidy claim had been prepared using the correct benefits system version; and

- completing testing in relation to modified schemes payments, uncashed cheques and verifying the accurate completion of the claim form.

Following the completion of our work, the claim was subject to a qualification letter as a result of errors identified in the sample testing of benefit claims relating to:

- the recording of claimant income, costs, rent liability, rent free weeks and claim dates; and
- the calculation and classification of overpayments.

Our work on the other grant assurance engagements resulted in:

- reasonable assurance reports in relation to both the Teachers' Pension Contributions and Pooling of Housing Capital Receipts returns, with no issues being reported; and
- a factual findings report in relation to the HCA Compliance Audit Checklist which highlighted a limited number of issues.

Adjustments were necessary to one of the Council's grants and returns as a result of our certification work this year with the overall value of the Housing Benefit Subsidy claim being increased by £71. It is possible, however, that DWP will apply reductions to subsidy depending on how it resolves the matters identified in our qualification letter

Recommendations

We have made no recommendations to the Council from our work this year. This reflects the fact that those issues identified through our audit are not uncommon across the sector and arise from the large volume of claims being processed by the Council's benefits team throughout the year. We note that the level of errors identified is reduced from the prior year and the Council already has established arrangements to respond to these matters, for example through staff training and its own on-going quality assurance arrangements.

In addition there were no recommendations raised as a result of the previous years' work on grants and returns.

Headlines (cont.)

Fees (Page 7)

Our fee for certifying the Council's 2016/17 Housing Benefit Subsidy grant was £21,165, which is in line with the indicative fee set by PSAA.

Our fees for the other grant/return engagements were subject to agreement directly with the Council and were:

- £3,000 for the certification of the Teachers' Pensions Contributions Return;
- £3,000 for the certification of the Pooling of Housing Capital Receipts Return; and
- £2,500 for the completion of the HCA Compliance Audit Checklist.

Page 52

Summary of reporting outcomes

Overall, we carried out work on three grants and returns:

- two were unqualified with no amendment;
- one required a qualification to our audit certificate; and
- one resulting in a factual findings report.

Detailed comments are provided on pages 5 and 6.

Page 53

Detailed below is a summary of the reporting outcomes from our work on the Council’s 2016/17 grants and returns, showing where either audit amendments were made as a result of our work or where we had to qualify our audit certificate or assurance report.

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

	Comments on pages 5-6	Qualified	Significant adjustment	Minor adjustment	Unqualified	Factual Findings Report
Public Sector Audit Appointments regime						
— Housing Benefit Subsidy	1					
Other grant/return engagements						
— Teachers’ Pensions Contributions	2					
— Pooling of Housing Capital Receipts.	3					
— HCA Compliance Audit Checklist	4					
		1	-	1	2	1

Summary of certification work outcomes

This table summarises the key issues behind each of the adjustments or qualifications that were identified on page 4.

Page 54

Ref	Summary observations	Amendment
1	<p>Housing Benefit Subsidy grant claim</p> <p>As a result of our sample testing of housing benefit claims we identified:</p> <ul style="list-style-type: none"> — Nine errors (from a sample of 180 claims) in relation to the recording of income, costs, rental figures, rent free weeks and claim dates. These resulted in both under and overpayments of benefits; — 21 inaccuracies (from a sample of 180 claims, 60 of which were also part of the above sample) in relation to the identification and classification of overpayments resulting in errors in the level of subsidy being claimed. <p>Whilst the number of errors identified may appear relatively high, representing 10% of the overall sample, the average value of the errors was only £30 per claim compared to average claim values of £3,327. No adjustments were made to the claim in relation to these errors; rather the Department for Work & Pensions will consider the results of this work and decide if any adjustment is required.</p> <p>In addition to the above we identified the following errors where the whole population could be tested and therefore an adjustment could be made:</p> <ul style="list-style-type: none"> — Nine instances where the tenancy type had been incorrectly recorded as Non-HRA but should have been recorded as a private tenancy; — 42 instances where claims had been recorded as backdated incorrectly either because they were not eligible for backdating or because no backdated payments had been made; — Six instances where claims did not include a meal deduction when calculating the claimants rent liability; and — Seven instances where deductions for non-dependents living in the property were incorrect calculated as a result of using incorrect figures for non-dependent earnings. 	£71
2	<p>Teachers' Pensions Contributions</p> <p>No issues identified as a result of our certification work</p>	No Amendment
3	<p>Pooling of Housing Capital Receipts</p> <p>No issues identified as a result of our certification work</p>	No Amendment

Summary of certification work outcomes (cont.)

This table summarises the key issues behind each of the adjustments or qualifications that were identified on page 4.

Page 55

Ref	Summary observations	Amendment
4	<p>HCA Compliance Audit Checklist</p> <p>As a result of our sample testing of claims we reported that:</p> <ul style="list-style-type: none"> — Dates recorded on the HCA Investment Management System for Planning Consent, Start on Site and Practical completion were inaccurate due to the fact that they were not recorded at the time and the system does not allow retrospective entries; and — The Authority had not formally adopted the 2012 Construction Commitments although we noted that the Authority could demonstrate compliance with the key elements of those commitments. The 2012 Construction Commitments were initially developed for the London 2012 Olympics and are designed to improve construction performance across a range of areas such as design, sustainability, health & safety and procurement. 	<p>No Amendment</p>

Fees

Our fees for the Housing Benefit Subsidy claim are set by Public Sector Audit Appointments.

Our fees for other assurance engagements on grants/returns are agreed directly with the Council.

The overall fees we charged for carrying out all our work on grants/returns in 2016/17 was 27,165.

Page 56

Public Sector Audit Appointments certification arrangements

Public Sector Audit Appointments set an indicative fee for our work on the Council’s Housing Benefit Subsidy claim in 2016/17 of £21,165. Our actual fee was the same as the indicative fee, and this compares to the 2015/16 fee for this claim of £16,916. The increase in the fee compared to prior year is a result of the way in which Public Sector Appointments Limited calculates the annual fees based upon the outcomes of previous housing benefit certification work.

Grants subject to other engagements

The fees for our work on other grants/returns are agreed directly with the Council. In relation to Teachers’ Pension Contributions and Pooling of Housing Capital Receipts our fees for 2016/17 were the same as those charged in 2015/16. Our fee for the HCA Compliance Audit Checklist was £2,500 with this being the first year of us completing this work for the Authority.

Breakdown of fees for grants and returns work

Breakdown of fee by grant/return		
	2016/17 (£)	2015/16 (£)
Housing Benefit Subsidy claim	21,165	16,916
Teachers’ Pensions Contributions	3,000	3,000
Pooling of Housing Capital Receipts	3,000	3,000
HCA Compliance Audit Checklist	2,500 ¹	-
Total fee	29,665	22,916

¹ Note that the HCA Compliance Audit Checklist relates to the 2017/18 financial year but is reported here for completeness as our work is already complete.



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External Audit Plan 2017/2018

Wiltshire Council

February 2018

Summary for Audit Committee

Financial statements

There are no significant changes to the Code of Practice on Local Authority Accounting ("the Code") in 2017/18, which provides stability in terms of the accounting standards the Authority need to comply with. Despite this, the deadline for the production and signing of the financial statements has been significantly advanced in comparison to year ended 31 March 2017. We recognise that the Authority has successfully advanced its own accounts production timetable in prior years so as to align with the new deadlines. As a result, we do not feel that this represents a significant risk, although it is still important that the authority manages its closedown process to meet the earlier deadline.

In order to meet the revised deadlines it will be essential that the draft financial statements and all prepared by client documentation is available in line with agreed timetables. Where this is not achieved there is a significant likelihood that the audit report will not be issued by 31 July 2018.

Materiality

Materiality for planning purposes has been set at **£12 million** for the Authority and **£25 million** for the Pension Fund.

We are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance and this has been set at **£0.6 million** for the Authority and **£1.25 million** for the Pension Fund.

Significant risks

Those risks requiring specific audit attention and procedures to address the likelihood of a material financial statement error have been identified as:

- **Valuation of PPE** – Whilst the Authority operates a cyclical revaluation approach, the Code requires that all land and buildings be held at fair value. We will consider the way in which the Authority ensures that assets not subject to in-year revaluation are not materially misstated, as well as reviewing the basis of valuation for those assets that have been revalued; and
- **Pension Liabilities** – The valuation of the Authority's pension liability, as calculated by the Actuary, is dependent upon both the accuracy and completeness of the data provided and the assumptions adopted. We will review the processes in place to ensure accuracy of data provided to the Actuary and consider the assumptions used in determining the valuation.

Other areas of audit focus

Those risks with less likelihood of giving rise to a material error but which are nevertheless worthy of additional audit focus have been identified as:

- **Faster Close** – As set out above, the timetable for the production of the financial statements has been significantly advanced with draft accounts having to be prepared by 31 May (2017: 30 June) and the final accounts signed by 31 July (2017: 30 September). We recognise that the Authority has successfully delivered to this shortened timescale in previous year and will continue to work with the Authority in advance of our audit to understand the steps being taken to ensure that these deadlines are met again and to identify any impact on our work;

Summary for Audit Committee (cont.)

Financial Statements (cont.)

- **Change to MRP Approach** – We are aware that the Authority is reviewing the way in which it calculates its Minimum Revenue Provision. We will review the revised methodology adopted against the regulatory requirements and verify that the provision has been correctly calculated; and
- **Prior year IT issues** – Our audit for the year ended 31 March 2017 identified significant deficiencies in the control environments over the Authority's IT systems, specifically control over high powered access to SAP. We will undertake testing to confirm that these weaknesses have been appropriately resolved.

Pension Fund risks

In relation to the Pension Fund audit, one risk requiring specific audit attention and procedures has been identified as:

- **Valuation of hard to price investments** – The Pension Fund invests in a range of assets and funds, some of which are inherently harder to value due to there being no publicly available quoted prices. We will verify a selection of investments to third party information and confirmations.

Pension Fund other areas of audit focus

One risk with less likelihood of giving rise to a material error but which nevertheless worthy of additional audit focus has been identified as:

- **Change in Pension Custodian** – During the year the Pension Fund has engaged a new Custodian (namely StateStreet). We will confirm that the investment balances transferred to the new Custodian agree to those per the final reports from the previous Custodian.

See pages 5 to 13 for more details

Value for Money Arrangements work

We have not yet completed our detailed risk assessment regarding your arrangements to secure value for money, however our initial VFM audit planning has identified the following significant VFM audit risks to date:

- **Delivery of Budgets** – As a result of reductions in central government funding, and other pressures, the Authority is having to make additional savings beyond those from prior years and also pursue income generation strategies. We will review the controls in place to ensure financial resilience, specifically that the Medium Term Financial Plan has duly taken into consideration relevant factors and sensitivity analysis. We will also consider the way in which the Authority identifies, approves, and monitors both savings plans and income generation projects and how budgets are monitored throughout the year.

See pages 14 to 18 for more details

Summary for Audit Committee (cont.)

Logistics Our team is:

- Darren Gilbert – Director
- Adam Bunting – Manager
- Philip Tapping – Assistant manager

More details are in **Appendix 2**.

Our work will be completed in four phases from January to July and our key deliverables are this Audit Plan, an Interim Report and a Report to Those Charged With Governance as outlined on **page 21**.

Our fee for the 2017/18 audit is £167,420 (£167,420 2016/2017) for the Authority and £24,246 (£24,246 2016/17) for the Pension Fund see **page 21**. These fees are in line with the scale fees published by PSAA.

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

Introduction

Background and Statutory responsibilities

This document supplements our Audit Fee Letter 2017/18 issued to you in March 2017, which also sets out details of our appointment by Public Sector Audit Appointments Ltd (PSAA).

Our statutory responsibilities and powers are set out in the Local Audit and Accountability Act 2014, the National Audit Office's Code of Audit Practice and the PSAA Statement of Responsibilities.

Our audit has two key objectives, requiring us to audit/review and report on your:

- 01 | Authority and Pension Fund Financial statements**
Providing an opinion on your accounts. We also review the Annual Governance Statement and Narrative Report and report by exception on these; and
- 02 | Use of resources**
Concluding on the arrangements in place for securing economy, efficiency and effectiveness in your use of resources (the value for money conclusion).

The audit planning process and risk assessment is an on-going process and the assessment and fees in this plan will be kept under review and updated if necessary. Any change to our identified risks will be reporting to the Audit Committee.

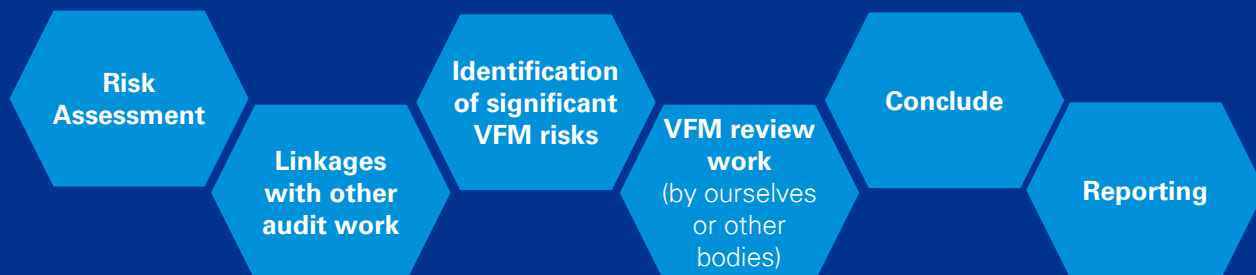
Financial Statements Audit

Our financial statements audit work follows a four stage audit process which is identified below. Appendix 1 provides more detail on the activities that this includes. This report concentrates on the Financial Statements Audit Planning stage of the Financial Statements Audit.



Value for Money Arrangements Work

Our Value for Money (VFM) Arrangements Work follows a five stage process which is identified below. Pages 14 to 17 provides more detail on the activities that this includes. This report concentrates on explaining the VFM approach for 2017/18 and communicating the initial VFM risks identified.



Financial statements audit planning

Financial Statements Audit Planning

Our planning work takes place during January 2017 to February 2018. This involves the following key aspects:

- Determining our materiality level;
- Risk assessment;
- Identification of significant risks;
- Consideration of potential fraud risks;
- Identification of key account balances in the financial statements and related assertions, estimates and disclosures;
- Consideration of management's use of experts; and
- Issuing this audit plan to communicate our audit strategy.

Risk assessment

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

01

Management override of controls

Management is typically in a powerful position to perpetrate fraud owing to its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Our audit methodology incorporates the risk of management override as a default significant risk. In line with our methodology, we carry out appropriate controls testing and substantive procedures, including over journal entries, accounting estimates and significant transactions that are outside the normal course of business, or are otherwise unusual.

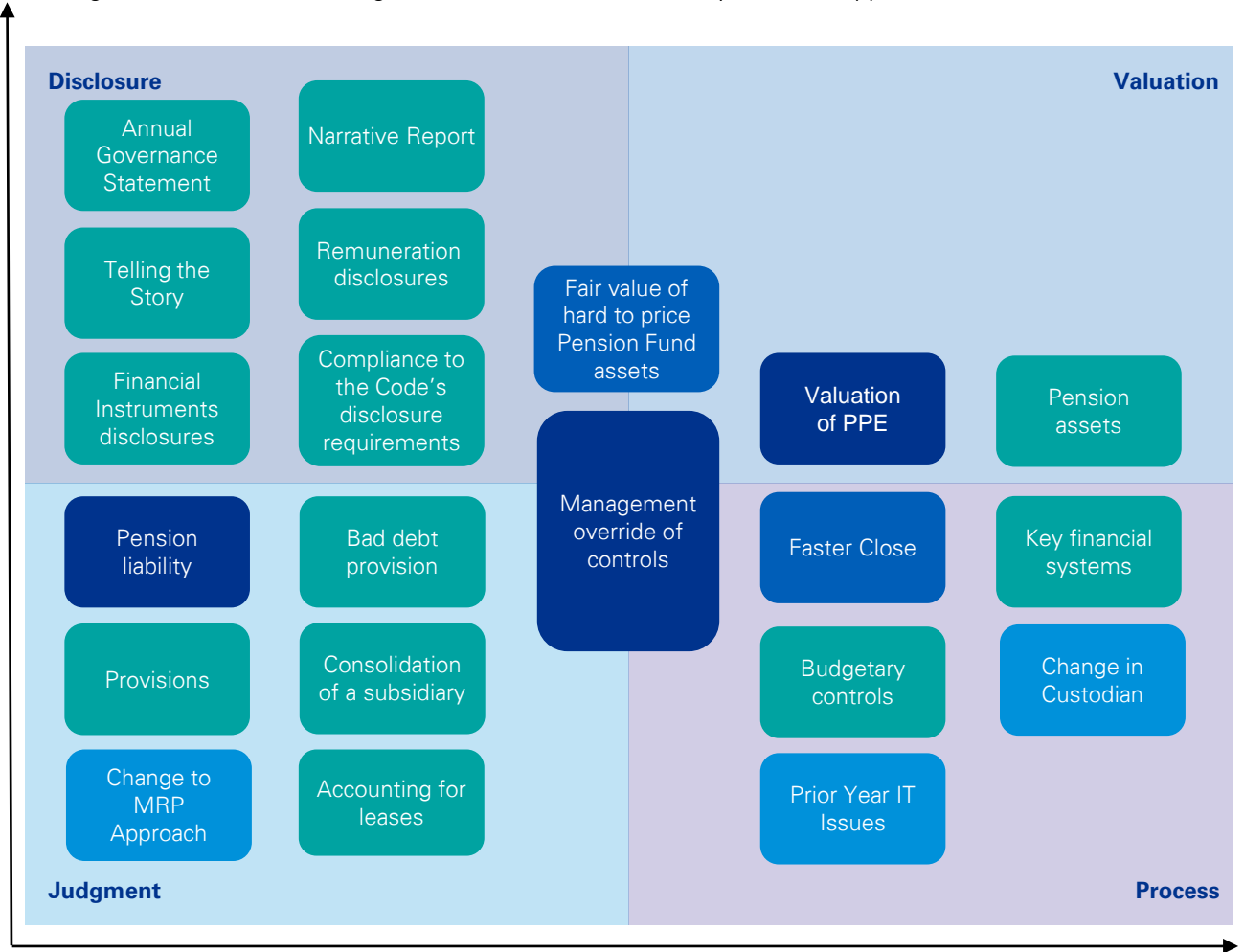
02

Fraudulent revenue recognition

We do not consider this to be a significant risk for local authorities as there are limited incentives and opportunities to manipulate the way income is recognised. We therefore rebut this risk and do not incorporate specific work into our audit plan in this area over and above our standard fraud procedures.

Financial statements audit planning (cont.)

The diagram below identifies significant risks and other areas of audit focus, which we expand on overleaf. The diagram also identifies a range of other areas considered by our audit approach.



- Keys:**
- Significant risk
 - Significant risks – Pension Fund only
 - Other area of audit focus
 - Example other areas considered by our approach

Financial statements audit planning (cont.)

Significant Audit Risks – Authority

Those risks requiring specific audit attention and procedures to address the likelihood of a material financial statement error in relation to the Authority.

Risk:	Valuation of PPE <p>The Code requires that where assets are subject to revaluation, their year end carrying value should reflect the appropriate fair value at that date. The Authority has adopted a rolling revaluation model which sees all land and buildings revalued over a four year cycle. As a result of this, however, individual assets may not be revalued for four years.</p> <p>This creates a risk that the carrying value of those assets not revalued in year differs materially from the year end fair value. In addition, the Authority is bringing forward the valuation date to 28 February 2018 in response to Faster Close deadlines. As a result of this there is a risk that the fair value is different at the year end.</p>
Approach:	<p>We will review the approach that the Authority has adopted to assess the risk that assets not subject to valuation are materially misstated and consider the robustness of that approach. We will also assess the risk of the valuation changing materially during the year.</p> <p>In addition, we will consider movement in market indices between revaluation dates and the year end in order to determine whether these indicate that fair values have moved materially over that time.</p> <p>In relation to those assets which have been revalued during the year we will assess the valuer's qualifications, objectivity and independence to carry out such valuations and review the methodology used (including testing the underlying data and assumptions).</p>

Financial statements audit planning (cont.)

Significant Audit Risks – Authority (cont.)

Risk:	<p>Pension Liabilities</p> <p>The net pension liability represents a material element of the Authority's balance sheet. The Authority is an admitted body of Wiltshire Pension Fund which had its last triennial valuation completed as at 31 March 2016. This forms an integral basis of the valuation as at 31 March 2018.</p> <p>The valuation of the Local Government Pension Scheme relies on a number of assumptions, most notably around the actuarial assumptions, and actuarial methodology which results in the Authority's overall valuation.</p> <p>There are financial assumptions and demographic assumptions used in the calculation of the Authority's valuation, such as the discount rate, inflation rates, mortality rates etc. The assumptions should also reflect the profile of the Authority's employees, and should be based on appropriate data. The basis of the assumptions is derived on a consistent basis year to year, or updated to reflect any changes.</p> <p>There is a risk that the assumptions and methodology used in the valuation of the Authority's pension obligation are not reasonable. This could have a material impact to net pension liability accounted for in the financial statements.</p>
Approach:	<p>As part of our work we will review the controls that the Authority has in place over the information sent to the Scheme Actuary, including the Authority's process and controls with respect to the assumptions used in the valuation. We will also evaluate the competency, objectivity and independence of Mercers (the Pension Fund Actuary).</p> <p>We will review the appropriateness of the key assumptions included within the valuation, compare them to expected ranges, and consider the need to make use of a KPMG Actuary. We will consider the methodology applied in the valuation by Mercers.</p> <p>In addition, we will review the overall Actuarial valuation and consider the disclosure implications in the financial statements.</p>

Financial statements audit planning (cont.)

Other areas of audit focus

Those risks with less likelihood of giving rise to a material error but which are nevertheless worthy of audit understanding.

Issue:

Faster Close

In prior years, the Authority has been required to prepare draft financial statements by 30 June and then final signed accounts by 30 September. For years ending on and after 31 March 2018 however, revised deadlines apply which require draft accounts by 31 May and final signed accounts by 31 July.

The Authority has already developed the plans and processes necessary to produce the accounts to this shortened timescales and has met this in prior years.

We would highlight, however, that for the year ended 31 March 2018 there is no longer the comfort that the Authority is working to an internally advance timescale where any delays would not impact on statutory deadlines. Whilst we have not experienced significant delays in recent years, if such delays were to arise this year there is a substantial risk that the audit will not be completed by the 31 July deadline.

There is also an increased likelihood that the Audit Certificate (which confirms that all audit work for the year has been completed) may be issued separately at a later date if work is still ongoing in relation to the Authority's Whole of Government Accounts return and the Pension Fund Annual Report. This is not a matter of concern and is not seen as a breach of deadlines.

Approach:

We will continue to liaise with officers in preparation for our audit in order to understand the steps that the Authority is taking in order to ensure it continues to meet the shortened deadlines.

Issue:

Changes to MRP Approach

Local authorities are required each year to set aside some of their revenues as provision for debt. More precisely, the provision is in respect of capital expenditure financed by borrowing or credit arrangements. There are a number of options set out in statutory regulations which Authorities may adopt when calculating the level of its Minimum Revenue Provision. When selecting an approach, the Authority is required to do so in a manner which ensures that the resulting provision represents the most prudent and appropriate result.

We understand that the Authority is considering revising the approach it adopts in relation to the calculation of the Minimum Revenue Provision for the year ending 31 March 2018 onwards.

Approach:

We will continue to liaise with officers in preparation for our audit in order to understand the steps that the Authority is taking in order to ensure it continues to meet the shortened deadlines.

Financial statements audit planning (cont.)

Other areas of audit focus

Those risks with less likelihood of giving rise to a material error but which are nevertheless worthy of audit understanding.

Issue:

Prior Year IT Issues

Our audit approach is designed to place reliance upon key financial controls in order to reduce the level of substantive testing required and provide audit evidence. Where these controls are automated by way of the Authority's IT systems we are required to undertake testing over the Authority's general IT controls in order to gain assurance that such automated controls can be relied upon throughout the year. Of particular importance are the general ledger (SAP) and the revenues and benefits system (Northgate).

Over recent years we have identified ongoing concerns in relation to the control exercised over SAP super user accounts (those making use of the SAP_ALL access profile), particularly those used by the system provider. During 2015/16 we noted that the Authority had made significant progress in relation to this issue in implementing new controls designed to monitor and control the use of these accounts. However, due to staffing changes in August 2016 the completion of these controls ceased. These accounts enabled the user to change system parameters, alter individual transactions and delete the resulting audit trails.

There were also a high number of Northgate accounts which have direct access to the system's underlying database. Whilst we flagged this in our 2015/16 Report to Those charged with Governance, we clarified the extent of the changes that could be undertaken through these accounts during our 2016/17 audit and confirmed that they included the ability to delete underlying data and change reporting functionality without testing or approval.

As a result of these issues we were unable to rely on the Authority's IT environment during the 2016/17 and had to undertake specific additional substantive procedures and lower the testing and sensitivity thresholds applied throughout our final audit visit.

We understand that the Authority has taken appropriate steps to address these areas of weakness for the current year.

Approach:

We will review the actions taken by the Authority to address the issues set out above. This will include confirming that:

- the SAP_ALL access profile has been deactivated; and
- the number of Northgate accounts with direct access to the underlying database has been reduced to an appropriate level.

Financial statements audit planning (cont.)

Significant Audit Risks – Pension Fund

Those risks requiring specific audit attention and procedures to address the likelihood of a material financial statement error in relation to the Pension Fund.

Risk:	Valuation of hard to price investments <p>The Pension Fund invests in a wide range of assets and investment funds, some of which are inherently harder to value or do not have publicly available quoted prices, requiring professional judgement or assumptions to be made at year end. The pricing of complex investment assets may also be susceptible to pricing variances given the number of assumptions underlying the valuation.</p> <p>In the prior year financial statements, £198 million out of a total of £2,174 million of investments, or 9.1%, were in this harder to price category.</p>
Approach:	<p>As part of our audit of the Pension Fund, we will independently verify a selection of investment asset prices to third party information and obtain independent confirmation on asset existence. We will also test to what extent the Pension Fund has challenged the valuations reported by investment managers for harder to price investments and obtained independent assessment of the figures.</p>

Other areas of audit focus – Pension Fund

Those risks with less likelihood of giving rise to a material error but which are nevertheless worthy of audit understanding in relation to the Pension Fund

Issue:	Change in Custodian <p>During the year the Pension Fund has engaged a new Custodian (StateStreet). The role of the Custodian is to safeguard the pension assets.</p> <p>Where there is a change in Custodian there is a risk that, due to errors in the transfer of assets, the value of assets received by the new Custodian fails to reflect the closing value under the prior Custodian.</p>
Approach:	<p>We will confirm that the value of assets recorded as received by StateStreet agrees to the closing values as reported by the previous Custodian.</p>

We note that there has been a significant staffing change in the Pension Fund's financial reporting personnel since the 2016/17 audit. We recognise, however, that steps have been taken by the Pension Fund in order to ensure that the financial statements are prepared on a timely and accurate basis. We will continue to work with the Pension Fund in order to minimise, so far as possible, any impact on our audit.

In addition to the risk set out above, if we receive specific requests from the auditors of other admitted bodies, we are required to support their audits under the protocols put in place by the PSAA for this purpose. If the work they request is over and above that already planned, there will be additional costs arising from this. The Pension Fund can consider recharging these costs to the relevant admitted bodies

Financial statements audit planning (cont.)

Materiality

We are required to plan our audit to determine with reasonable confidence whether or not the financial statements are free from material misstatement. An omission or misstatement is regarded as material if it would reasonably influence the user of financial statements. This therefore involves an assessment of the qualitative and quantitative nature of omissions and misstatements.

Generally, we would not consider differences in opinion in respect of areas of judgement to represent 'misstatements' unless the application of that judgement results in a financial amount falling outside of a range which we consider to be acceptable.

For the Authority, materiality for planning purposes has been set at £12 million, which equates to 1.3 percent of gross expenditure.

For the Pension Fund, materiality for planning purposes has been set at £25 million which equates to 1.1 percent of total assets.

We design our procedures to detect errors in specific accounts at a lower level of precision.

Authority Prior Year Gross Expenditure: £952m

Materiality

£12m

1.3% of Expenditure

(2016/17: £12m, 1.3%)



£0.6m Misstatements reported to the audit committee (2016/17: £0.6m)

£9m Procedures designed to detect individual errors (2016/17: £7.5m)

£12m Materiality for the financial statements as a whole (2016/17: £12m)

Pension Fund Prior Year Gross Assets : £2,191m

Materiality

£25m

1.1% of Assets

(2016/17: £25m, 1.1%)



£1.25m Misstatements reported to the audit committee (2016/17: £1.25m)

£18.5m Procedures designed to detect individual errors (2016/17: £18.5m)

£25m Materiality for the financial statements as a whole (2016/17: £25m)

Financial statements audit planning (cont.)

Reporting to the Audit Committee

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

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

In the context of the Authority, we propose that an individual difference could normally be considered to be clearly trivial if it is less than £0.6 million.

In the context of the Pension Fund, we propose that an individual difference could normally be considered to be clearly trivial if it is less than £1.25 million.

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

We will report:



Non-Trivial corrected audit misstatements



Non-trivial uncorrected audit misstatements



Errors and omissions in disclosure
(Corrected and uncorrected)

Value for money arrangements work

VFM audit approach

The Local Audit and Accountability Act 2014 requires auditors of local government bodies to be satisfied that the authority 'has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources'.

This is supported by the Code of Audit Practice, published by the NAO in April 2015, which requires auditors to 'take into account their knowledge of the relevant local sector as a whole, and the audited body specifically, to identify any risks that, in the auditor's judgement, have the potential to cause the auditor to reach an inappropriate conclusion on the audited body's arrangements.'

Overall criterion

In all significant respects, the audited body had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.

The VFM approach is fundamentally unchanged from that adopted in 2016/17 and the process is shown in the diagram below. The diagram overleaf shows the details of the sub-criteria for our VFM work.



Value for money arrangements work (cont.)

Value for Money sub-criterion

Informed decision making

Proper arrangements:

- Acting in the public interest, through demonstrating and applying the principles and values of sound governance.
- Understanding and using appropriate and reliable financial and performance information to support informed decision making and performance management.
- Reliable and timely financial reporting that supports the delivery of strategic priorities.
- Managing risks effectively and maintaining a sound system of internal control.

Sustainable resource deployment

Proper arrangements:

- Planning finances effectively to support the sustainable delivery of strategic priorities and maintain statutory functions.
- Managing and utilising assets to support the delivery of strategic priorities.
- Planning, organising and developing the workforce effectively to deliver strategic priorities.

Working with partners and third parties

Proper arrangements:

- Working with third parties effectively to deliver strategic priorities.
- Commissioning services effectively to support the delivery of strategic priorities.
- Procuring supplies and services effectively to support the delivery of strategic priorities.

Value for money arrangements work (cont.)

VFM audit stage



VFM audit risk assessment

Audit approach

We consider the relevance and significance of the potential business risks faced by all local authorities, and other risks that apply specifically to the Authority. These are the significant operational and financial risks in achieving statutory functions and objectives, which are relevant to auditors' responsibilities under the *Code of Audit Practice*.

In doing so we consider:

- The Authority's own assessment of the risks it faces, and its arrangements to manage and address its risks;
- Information from the Public Sector Auditor Appointments Limited VFM profile tool;
- Evidence gained from previous audit work, including the response to that work; and
- The work of other inspectorates and review agencies.



Linkages with financial statements and other audit work

Audit approach

There is a degree of overlap between the work we do as part of the VFM audit and our financial statements audit. For example, our financial statements audit includes an assessment and testing of the Authority's organisational control environment, including the Authority's financial management and governance arrangements, many aspects of which are relevant to our VFM audit responsibilities.

We have always sought to avoid duplication of audit effort by integrating our financial statements and VFM work, and this will continue. We will therefore draw upon relevant aspects of our financial statements audit work to inform the VFM audit.



Identification of significant risks

Audit approach

The Code identifies a matter as significant '*if, in the auditor's professional view, it is reasonable to conclude that the matter would be of interest to the audited body or the wider public. Significance has both qualitative and quantitative aspects.*'

If we identify significant VFM risks, then we will highlight the risk to the Authority and consider the most appropriate audit response in each case, including:

- Considering the results of work by the Authority, inspectorates and other review agencies; and
- Carrying out local risk-based work to form a view on the adequacy of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources.

Value for money arrangements work (cont.)

VFM audit stage



Assessment of work by other review agencies, and Delivery of local risk based work

Audit approach

Depending on the nature of the significant VFM risk identified, we may be able to draw on the work of other inspectorates, review agencies and other relevant bodies to provide us with the necessary evidence to reach our conclusion on the risk.

We will also consider the evidence obtained by way of our financial statements audit work and other work already undertaken.

If evidence from other inspectorates, agencies and bodies is not available and our other audit work is not sufficient, we will need to consider what additional work we will be required to undertake to satisfy ourselves that we have reasonable evidence to support the conclusion that we will draw. Such work may include:

- Additional meetings with senior managers across the Authority;
- Review of specific related minutes and internal reports;
- Examination of financial models for reasonableness, using our own experience and benchmarking data from within and without the sector.



Concluding on VFM arrangements

Audit approach

At the conclusion of the VFM audit we will consider the results of the work undertaken and assess the assurance obtained against each of the VFM themes regarding the adequacy of the Authority's arrangements for securing economy, efficiency and effectiveness in the use of resources.

If any issues are identified that may be significant to this assessment, and in particular if there are issues that indicate we may need to consider qualifying our VFM conclusion, we will discuss these with management as soon as possible. Such issues will also be considered more widely as part of KPMG's quality control processes, to help ensure the consistency of auditors' decisions.



Reporting

Audit approach

We have not yet completed our detailed risk assessment regarding your arrangements to secure value for money. On the following pages, however, we will report the results of our initial VFM audit planning.

We will report on the results of the VFM audit through our ISA 260 Report. This will summarise any specific matters arising, and the basis for our overall conclusion.

The key output from the work will be the VFM conclusion (i.e. our opinion on the Authority's arrangements for securing VFM), which forms part of our audit report.

Value for money arrangements work (cont.)

Significant VFM Risks

Those risks requiring specific audit attention and procedures to address the likelihood that proper arrangements are not in place to deliver value for money.

Risk:	Delivery of budgets <p>The Authority identified the need to make savings of £13 million in 2017/18. The current forecast shows that the Authority will deliver an overspend of approximately £5 million but is anticipating that further savings will be identified in order to meet the approved balanced budget.</p> <p>The Authority's budget for 2018/19 is due to be approved at the Council meeting on 20 February 2018 and the current draft recognises a need for £26 million in savings of which £4 million will be met as a result of transformation decisions already taken by the Authority. The approved budget includes individual proposals to support the delivery of the overall savings requirement. Further savings of £31 million will be required over the period 2019 to 2022 to principally address future reductions to local authority funding alongside service cost and demand pressures. As a result, the need for savings will continue to have a significant impact on the Authority's financial resilience.</p>
Approach:	As part of our additional risk based work, we will review the controls the Authority has in place to ensure financial resilience, specifically that the Medium Term Financial Plan has duly taken into consideration factors such as funding reductions, salary and general inflation, demand pressures, restructuring costs and sensitivity analysis given the degree of variability in the above factors. In addition we will consider the way in which the Authority identifies, approves, and monitors both savings plans and income generation projects.
VFM Sub-criterion:	This risk is related to the following Value For Money sub-criterion <ul style="list-style-type: none">— Informed decision making;— Sustainable resource deployment; and— Working with partners and third parties

Other matters

Whole of government accounts (WGA)

We are required to review your WGA consolidation and undertake the work specified under the approach that is agreed with HM Treasury and the National Audit Office. Deadlines for production of the pack and the specified approach for 2017/18 have not yet been confirmed.

Elector challenge

The Local Audit and Accountability Act 2014 gives electors certain rights. These are:

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

As a result of these rights, in particular the right to object to the accounts, we may need to undertake additional work to form our decision on the elector's objection. The additional work could range from a small piece of work where we interview an officer and review evidence to form our decision, to a more detailed piece of work, where we have to interview a range of officers, review significant amounts of evidence and seek legal representations on the issues raised.

The costs incurred in responding to specific questions or objections raised by electors is not part of the fee. This work will be charged in accordance with the PSAA's fee scales.



Other matters

Reporting and communication

Reporting is a key part of the audit process, not only in communicating the audit findings for the year, but also in ensuring the audit team are accountable to you in addressing the issues identified as part of the audit strategy. Throughout the year we will communicate with you through meetings with the finance team and the Audit Committee. Our communication outputs are included in Appendix 1.

Independence and Objectivity

Auditors are also required to be independent and objective. Appendix 3 provides more details of our confirmation of independence and objectivity.

Audit fee

Our Audit Fee Letter 2017/2018 issued to you in March 2017 first set out our fees for the 2017/2018 audit. This letter also set out our assumptions. We have not considered it necessary to seek approval for any changes to the agreed fees at this stage.

Should there be a need to charge additional audit fees then this will be agreed with the s.151 Officer and PSAA. If such a variation is agreed, we will report that to you in due course.

The planned audit fee for 2017/18 is £167,420 for the Authority, compared to £180,562 for 2016/17. The planned audit fee for 2017/18 is £24,246 for the Pension Fund (2016/17 £25,678). The reductions in fee reflect the value of additional work that was required during 2016/17 in response to issues identified during the year.

Appendix 1:

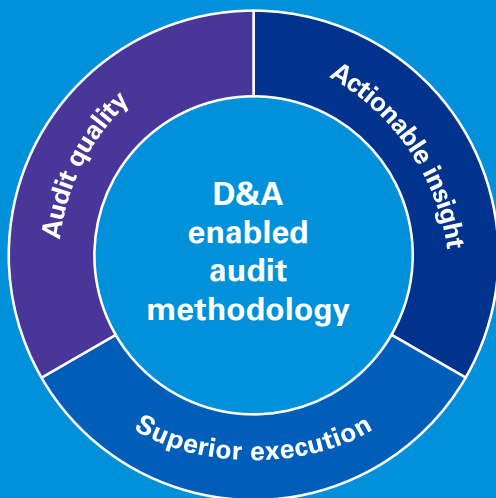
Key elements of our financial statements audit approach

Driving more value from the audit through data and analytics

Technology is embedded throughout our audit approach to deliver a high quality audit opinion. Use of Data and Analytics (D&A) to analyse large populations of transactions in order to identify key areas for our audit focus is just one element. Data and Analytics allows us to:

- Obtain greater understanding of your processes, to automatically extract control configurations and to obtain higher levels assurance.
- Focus manual procedures on key areas of risk and on transactional exceptions.
- Identify data patterns and the root cause of issues to increase forward-looking insight.

We anticipate using data and analytics in our work around key areas such as journals.



Communication

Continuous communication involving regular meetings between Audit Committee, Senior Management and audit team.



Appendix 1:

Key elements of our financial statements audit approach (cont.)

Audit workflow

Planning

- Determining our materiality level;
- Risk assessment;
- Identification of significant risks;
- Consideration of potential fraud risks;
- Identification of key account balances in the financial statements and related assertions, estimates and disclosures;
- Consideration of managements use or experts; and
- Issuing this audit plan to communicate our audit strategy.

Control evaluation

- Understand accounting and reporting activities
- Evaluate design and implementation of selected controls
- Test operating effectiveness of selected controls
- Assess control risk and risk of the accounts being misstated

Substantive testing

- Plan substantive procedures
- Perform substantive procedures
- Consider if audit evidence is sufficient and appropriate

Completion

- Perform completion procedures
- Perform overall evaluation
- Form an audit opinion
- Audit Committee reporting



Appendix 2:

Audit team

Your audit team has been drawn from our specialist public sector assurance department. Our audit team were all part of the Wiltshire Council audit last year.



Darren Gilbert
Director

T: +44 (0) 292 046 8205
E: darren.gilbert@kpmg.co.uk

'My role is to lead our team and ensure the delivery of a high quality, valued added external audit opinion. I will be the main point of contact for the Audit Committee and Corporate Directors.'



Adam Bunting
Manager

T: +44 (0) 292 046 8003
E: adam.bunting@kpmg.co.uk

'I provide quality assurance for the audit work and specifically any technical accounting and risk areas. I will work closely with Darren to ensure we add value. I will liaise with the Director of Finance and other Executive Officers.'



Philip Tapping
Assistant Manager

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E: philip.tapping@kpmg.co.uk

'I will be responsible for the on-site delivery of our work and will supervise the work of our audit assistants.'



Duncan Laird
Senior Manager – Pension Fund

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E: duncan.laird@kpmg.co.uk

'I provide quality assurance for the Pension Fund audit work and specifically any pension-related technical accounting and risk areas.'

Appendix 3:

Independence and objectivity requirements

ASSESSMENT OF OUR OBJECTIVITY AND INDEPENDENCE AS AUDITOR OF WILTSHIRE COUNCIL

Professional ethical standards require us to provide to you at the planning stage of the audit a written disclosure of relationships (including the provision of non-audit services) that bear on KPMG LLP's objectivity and independence, the threats to KPMG LLP's independence that these create, any safeguards that have been put in place and why they address such threats, together with any other information necessary to enable KPMG LLP's objectivity and independence to be assessed.

In considering issues of independence and objectivity we consider relevant professional, regulatory and legal requirements and guidance, including the provisions of the Code of Audit Practice, the provisions of Public Sector Audit Appointments Ltd's ('PSAA's') Terms of Appointment relating to independence and the requirements of the FRC Ethical Standard and General Guidance Supporting Local Audit (Auditor General Guidance 1 – AGN01) issued by the National Audit Office ('NAO').

This Appendix is intended to comply with this requirement and facilitate a subsequent discussion with you on audit independence and addresses:

- General procedures to safeguard independence and objectivity;
- Independence and objectivity considerations relating to the provision of non-audit services; and
- Independence and objectivity considerations relating to other matters.

General procedures to safeguard independence and objectivity

KPMG LLP is committed to being and being seen to be independent. As part of our ethics and independence policies, all KPMG LLP partners, Audit Directors and staff annually confirm their compliance with our ethics and independence policies and procedures. Our ethics and independence policies and procedures are fully consistent with the requirements of the FRC Ethical Standard. As a result we have underlying safeguards in place to maintain independence through:

- Instilling professional values
- Communications
- Internal accountability
- Risk management
- Independent reviews.

The conclusion of the audit engagement leader as to our compliance with the FRC Ethical Standard in relation to the Pension Fund audit engagement is subject to review by an engagement quality control reviewer, who is a director not otherwise involved in your affairs.

We are satisfied that our general procedures support our independence and objectivity.

Appendix 3:

Independence and objectivity requirements (cont.)

Independence and objectivity considerations relating to the provision of non-audit services

Summary of fees

We have considered the fees charged by us to the authority and its affiliates for professional services provided by us during the reporting period.

[We confirm that no non-audit services have been provided to Wiltshire Pension Fund.

Facts and matters related to the provision of non-audit services and the safeguards put in place that bear upon our independence and objectivity, are set out in the following table:

Description of scope of services	Principal threats to independence	Safeguards Applied	Basis of fee	Value of Services Delivered in the year ended 31 March 2018	Value of Services Committed but not yet delivered
Certification of housing benefit grant claim	None identified as this is part of our role as appointed auditor	None requires as no threats identified.	Fixed Fee	21,165	16,916
Certification of other grants & returns (Teachers Pension, Pooling of Housing Capital Receipts, and HCA)	Self-Review	The engagements relate to the completion of predefined procedures as set out by the grant paying body. Our report then sets out the factual results of those tests rather than providing an assurance opinion.	Fixed Fee	8,500	6,000

Appropriate approvals have been obtained from PSAA for all non-audit services above the relevant thresholds provided by us during the reporting period. In addition, we monitor our fees to ensure that we comply with the 70% non-audit fee cap set by the NAO.

Independence and objectivity considerations relating to other matters

There are no other matters that, in our professional judgment, bear on our independence which need to be disclosed to the Audit Committee.

Confirmation of audit independence

We confirm that as of the date of this report, in our professional judgment, KPMG LLP is independent within the meaning of regulatory and professional requirements and the objectivity of the director and audit staff is not impaired.

This report is intended solely for the information of the Audit Committee of the authority and should not be used for any other purposes.

We would be very happy to discuss the matters identified above (or any other matters relating to our objectivity and independence) should you wish to do so.

KPMG LLP



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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. We draw your attention to the Statement of Responsibilities of auditors and audited bodies, which is available on Public Sector Audit Appointment's website (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, by email to 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 by telephoning 020 7072 7445 or by writing to Public Sector Audit Appointments Limited, 3rd Floor, Local Government House, Smith Square, London, SW1P 3HZ.

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Audit Committee

Review of constitutional role of the Committee

TASK and FINISH GROUP

DRAFT Terms of Reference v2.4

Preamble

- There is a need to ensure that the roles of the Audit Committee and other bodies with related remits (such as the Overview and Scrutiny Financial Planning Task Group and the Corporate Assurance Group) are clearly delineated within the Constitution.
- Specifically there is a need to clarify responsibilities regarding risk and performance management, which have not been the subject of regular consideration by the Audit Committee
- Protocol 11 of the Constitution describes the Audit Committee as being an “Interested Committee” with regard to “process and soundness of information” regarding the Medium Term Financial Strategy, Budget Setting, Budget Monitoring. Historically these have not been reflected in the Audit Committee’s work programme.
- Protocol 11 also shows the Audit Committee as being the Lead Body on Partnership Governance. Again, historically the Committee has not addressed this area of work.

The purpose of the Task and Finish Group

To ensure that the council's Constitution sets out the role of the Audit Committee vis-a-vis other committees and scrutiny bodies ensuring clarity of their separate and distinct roles in corporate governance.

To review and agree the role of the Audit Committee in light of changing external, and new internal business planning, environments to ensure that the Committee contributes efficiently and effectively towards promoting and maintaining sound corporate governance and decision-making within the council.

Composition and Process

1 Membership

The Group will be made up of:

- 3 representatives from Audit Committee
- 1 Representative from Cabinet
- 1 Representative from Standards Committee
- 1 Representative from Management Overview & Scrutiny

Note that one individual could act in two of the above representative capacities.

2 Process

At least three meetings will be required as follows:

Meeting one To agree what is to be achieved, how it is to be achieved and what data and management information is required. This could include:

- Appraisal of the current provisions of the Council's Constitution with regard to the role and responsibilities of the Audit and other committees.
- Setting out data to be gathered on Audit Committees across local government and other public and quasi-public sector bodies, as well as the private sector. This might include: scope of responsibilities, membership, competence and decision-making frameworks, types of reports, frequency, development programmes, etc.
- Establishing what best practice advice exists, such as NAO, CIFPA, PSAA or FCA, and what new requirements are likely to emerge in the next 12 to 24 months.
- Clarity on statutory and external audit/inspection requirements.
- Drawing up option appraisal criteria having regard to 'healthy organisation' considerations.

Meeting two To set out and appraise options against the criteria established at the first meeting and discuss how they would suit the culture and processes at Wiltshire Council.

Meeting three – Draw up proposals and recommendations to the Council's Standards Committee via its Sub Group – the Constitutional Focus Group - for consideration for passing to Cabinet and Full Council: To agree presentation of the options and recommendations, as well as diarising next steps and roles in presenting.

Outputs

Meeting One

- Agreement of Terms of Reference
- Information requirements
- Options appraisal criteria
- Agree options for further work
- Timetable for delivery

- Briefing paper for Audit Committee

February 14th Audit Committee – Seek approval of Terms of Reference and proposals for next steps.

Meeting Two

- Consideration of options and actions to develop guidance for drafting paper for meeting three.

Meeting Three

- Draft paper / amendments for presenting to the Constitutional Focus Group and hence Cabinet

Additional Audit Committee late March - seek approval of paper to be submitted to Standards Committee on 18th April. (This will also allow for IA and EA Plans to be agreed before / just as new financial year starts.)

- Post Audit Committee
 - Report to Standards Committee (18th April 2018) and thence Council (22nd May 2018)

Resources

The Task and Finish Group will be supported by:

- Directors of Finance, Legal and Corporate Office
- Internal Audit
- Democratic Services

Timescales

- Meeting One – Mid January
- Audit Committee – 14th February
- Meeting Two Late February
- Meeting Three – Mid March
- Additional Audit Committee late March / early April
- Constitutional Focus Group to be arranged before 11th April in order to get papers to Standards in time for:
- Standards Committee – 18th April 2018
- Full Council – 22nd May 2018

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Meeting Notes

Attendees:

Cllr Richard Britton, Chairman – Audit Committee; Cllr Tony Jackson; Cllr Mike Hewitt, Cllr Graham Wright

Minute taker: Natalie Heritage (covering for Jess Croman)

Apologies:

Cllr Stewart Dobson, Cllr Philip Whitehead, Cllr Paul Oatway, Michael Hudson – Director, Finance; Ian Withers – South West Audit

Notes:

It was agreed that for point:

- Appraisal of the current provisions of the Council's Constitution with regard to the role and responsibilities of the Audit and other committees

Cllr Wright to follow-up the above with Henry Powell, designated scrutiny lead, and Kieran Elliott, Senior Democratic Services Officer. Discussions would be had around how to align the Constitution with the activity actually taking place on the ground.

For the following points, it was agreed that:

- Setting out data to be gathered on Audit Committees across local government and other public and quasi-public sector bodies, as well as the private sector. This might include: scope of responsibilities, membership, competence and decision-making frameworks, types of reports, frequency, development programmes, etc.
- Establishing what best practice advice exists, such as NAO, CIFPA, PSAA or FCA, and what new requirements are likely to emerge in the next 12 to 24 months.
- Clarity on statutory and external audit/inspection requirements

Cllr Britton to liaise with Michael Hudson and establish how the Council's internal auditors could help in relation to the above; for example, what guidance do professional bodies give for local authority audit committees and how is this aligned to the experience in Wiltshire.

Cllr Britton signalled that he would finalise the Task Group's Terms of Reference.

The meeting agreed that there was inconsistency between the Constitution and what is done in practise and therefore, a clearer idea was needed in terms of what each committee's role was in relation to the Constitution. For example, the Constitution states that a Corporate Assurance Steering Group reports to the Audit Committee, however, in practise – this is not the case.

Further clarity is also needed in regard to Protocol 11 of the Constitution; where Audit is listed as an interested Committee.

Cllr Britton outlined that the Leader of the Council was supportive of this task group's work and she appreciated that the Constitution needed to be updated to accurately reflect the definitions of each of the Council's committees.

Those present discussed having co-opted members join the Audit Committee; to help add weight to the Committee. However, internal discussions have highlighted that this would be unusual practise for a local authority audit committee.

It was agreed that clarity was needed over 'risk management' and 'performance indicators'. For example, are these areas within the remit of the Audit Committee or another Committee/Task Group? It was felt that risk management ought to lie with audit and that, perhaps, performance indicators could lie with O&S. Essentially, Members were looking for confirmation that each service area of the Council did have performance indicators.

Overall it was felt that the Council's SMT ought to be considering where improvements need to be made (i.e. by looking at their RAG system). Then, a piece of work needs to take place to make sure that these identified improvements are being implemented properly; this was labelled as the process of 'continuous improvement'.

Meeting duration: 15:00-16:07

AUDIT FORWARD PLAN

PROPOSED WORK PROGRAMME FOR THE AUDIT COMMITTEE - 2018/19

Meeting Date and Time	Name of Report	Report Author	Deadline for KPMG and SWAP	Deadline for submission of internal reports	Legal publication date
Wednesday 11 April 2018 10 a	Q3 IA report	SWAP			
	External Audit Plan	Deloittes ????			
	Audit Task Group	WC			

Tuesday 24 July 2018 2pm	IA annual report 2017/2018	SWAP			
	Q1 IA Report	SWAP			
	Annual Governance Statement	????			
	Report to those charged with Governance (ISA 260) 2017/2018	KPMG			
	Statement of Accounts	Michael Hudson			

PROPOSED WORK PROGRAMME FOR THE AUDIT COMMITTEE - 2017/18

Wednesday 14 November 2018 10am	Q2 IA report	SWAP			
	Annual Audit Letter	Deloitte			

Wednesday 6 February 2019 10am	Q3 IA	SWAP			
	Grant Certification Report 2016/17	KPMG ????			

Page 9

AUDIT CONTACTS

Finance: Michael Hudson – Assoc. Director- Finance, Matthew Tiller – Chief Accountant

Legal: Ian Gibbons – Associate Director, Legal & Governance

Corporate Office: Robin Townsend – Associate Director, Corporate Function, Procurement and Programme Office

SWAP:

Ian Withers

Assistant Director

SWAP Internal Audit Services

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PROPOSED WORK PROGRAMME FOR THE AUDIT COMMITTEE - 2017/18

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