

# AGENDA

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**Meeting:** Audit Committee

**Place:** County Hall, Bythesea Road, Trowbridge, BA14 8JN

**Date:** Thursday 7 November 2019

**Time:** 10.00 am

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Please direct any enquiries on this Agenda to Tara Shannon, of Democratic Services, County Hall, Bythesea Road, Trowbridge, direct line 01225 718352 or email [tara.shannon@wiltshire.gov.uk](mailto:tara.shannon@wiltshire.gov.uk)

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## Membership:

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

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

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## Substitutes:

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

Cllr Jim Lynch  
Cllr Ricky Rogers  
Cllr Pip Ridout

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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 - 12*)

To confirm and sign the minutes of the meeting held on 24 July 2019.

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 **Q2 IA Report** (*Pages 13 - 46*)

An updated report from South West Audit Partnership is attached.

7 **SWAP - Public Sector Internal Audit Standards Assessment**

Report from SWAP on the outcome of their Triennial External Assessment of their compliance with international Internal Audit standards

This agenda item to be deferred to the next meeting

8 **Risk and Performance Management Policy - Update on the Implementation of the Policy** *(Pages 47 - 50)*

Report attached

9 **Service Area Risk Register - Children's Services** *(Pages 51 - 54)*

Lucy Townsend - Director Families & Children's Services to give a verbal update

10 **Outcome Based Business Planning**

Cllr Richard Britton to give a verbal update

11 **Appointment of a S151 Officer**

A verbal update will be provided.

12 **Task and Finish Group** *(Pages 55 - 62)*

To receive a report from the Task & Finish Group regarding independent co-opted lay members

13 **Corporate Governance Update**

Cllr Richard Britton to give a verbal update

14 **Forward Work Programme** *(Pages 63 - 64)*

To note the Forward Work Programme

15 **Date of Next Meeting**

To note that the next regular meeting of the Committee will be held on Wednesday 12 February 2020

16 **Urgent Items**

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

**Part II**

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

## AUDIT COMMITTEE

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**DRAFT MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 24 JULY 2019 AT KENNET ROOM - COUNTY HALL, BYTHESEA ROAD, TROWBRIDGE, BA14 8JN.**

**Present:**

Cllr Richard Britton (Chairman), Cllr Stewart Dobson (Vice-Chairman), Cllr Gavin Grant, Cllr Edward Kirk, Cllr Tony Jackson and Cllr Stuart Wheeler

**Also Present:**

Cllr Philip Whitehead

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46 **Apologies**

Apologies were received from:

Cllr John Walsh

Cllr Mike Hewitt

Cllr Ian Thorn

47 **Minutes of the Previous Meeting**

The minutes of the meeting held on 26 June 2019 were presented.

**Resolved:**

**To approve as a correct record and sign the minutes of the meeting held on 26 June 2019.**

48 **Declarations of Interests**

There were no declarations of interest.

49 **Chairman's Announcements**

There were no Chairman's announcements.

50 **Public Participation**

No questions had been received from councillors or members of the public.

The Chairman welcomed all present. He then explained the rules of public participation and the procedure to be followed at the meeting.

51 **Report to those Charged with Governance (ISA 260) 2018/2019**

Becky Hellard, Director of Finance & Procurement, introduced the officers report and explained that there had been a delay in releasing the report as Deloitte had identified an issue with the presentation of the fixed assets in note 15, Property, Plant & Equipment. Although the overall net book value was correct on the Balance Sheet, the split between the opening balance on the cost or valuation and the opening balance on the depreciation and impairments needed to be restated. Since identifying the issue, the Finance Team had restated the notes, which were now with the auditors for verification.

Ian Howse, Deloitte, introduced their report explaining that they were on track to give a good opinion on the accounts noting how impressed they were with the finance team at Wiltshire council. The audit process was explained and a detailed explanation of the report was given.

In response to questions asked it was noted that:

- SAP system limitations - The Fixed Asset Register did not sit within the SAP system as the module was never successfully implemented, the register was held in spreadsheets. After investigation the issues were identified and a new Fixed Asset system was being sourced. In the meantime the team would continue to use the system and apply a new methodology.
- Deloitte was of an opinion that Wiltshire Council had recorded their costs related to the Salisbury incident correctly.
- The Pension Fund Committee Chairman would be updated with the late reports (which were not available at the Pension Fund Committee meeting).
- Raising of purchase orders – work had been commissioned to correct the SAP system issues regarding the raising of purchase orders. Controls were in place and finance were working closely with service areas to manage the issue.
- Actions were being taken to limit access to composite codes.

The Chairman thanked officers and Deloitte for their reports noting how detailed and user friendly the report was. However, he expressed disappointment that the issues preventing the signing off of the accounts had arisen at such a late stage.

## **RESOLVED**

**The Report to Those Charged with Governance was approved and the final sign off was delegated to the Director of Finance and Procurement in consultation with the Chairman of the Audit Committee, once agreement had been finalised with Deloitte.**

Cllr Tony Jackson arrived 10:53am.

### **52 Pension Assurance on the Statement of the Pension Fund Accounts**

It was noted that the Pension Fund committee had approved the pension accounts, although they had not seen the Report to Those Charged with Governance. No formal confirmation had been received by the Audit Committee that the Pensions Committee were satisfied with the pensions accounts, due to the timing of the meetings. Confirmation would be sought from the Chairman of the Pension Fund Committee.

### **53 Statement of Accounts**

Matthew Tiller, Chief Accountant, explained that there had been some amendments to the accounts and the latest version was included with the agenda.

In response to questions asked it was noted that:

- Officers would look at having a note added to the community infrastructure levy to show parish councils as short term creditors.
- Officers would look at including the basis of the figure for social housing devaluation.

## **RESOLVED**

**That the Audit Committee notes the final draft Statement of Accounts for 2018/2019 and delegates the signing of the accounts to the S151 Officer in consultation with the Chairman.**

54 **Annual Governance Statement**

Ian Gibbons, Director of legal, Electoral and Registration, introduced the Annual Governance Statement (AGS) noting that Cabinet had accepted and endorsed the AGS. The external auditors had made some changes which were included in the Annual Governance Statement on the agenda.

**RESOLVED**

**To approve the Annual Governance Statement.**

55 **IA Annual Report 2018/2019**

David Hill, SWAP, introduced the report giving a summary of the work carried out and an opinion that the control frame was adequate.

In response to questions, it was noted that:

- The council tax assurance level had gone down due to the management review of exception reports and cases not being evidenced.
- There had been an incident of fraud which was subject to a police investigation. A full report would be available in due course.
- Monitoring of the Off Street Parking contract performance was delayed due to internal delays in reconciliation and checking of data, not an issue with the contractors.

**RESOLVED**

**To note the IA Annual Report 2018/19**

56 **Q1 IA Report**

David Hill, SWAP, introduced the report noting that SWAP's performance had improved with around 15% of the plan now completed.

Changes to the plan were outlined in the report. The Chairman expressed some concern that significant changes had been made to the Plan without consultation with or approval by, the Audit Committee and requested that any changes to the plan going forward be brought to the committee meeting for review.

**RESOLVED**

**To note the Q1 IA Report.**



57 **Action Plans on Money Laundering, Anti-Fraud, Theft, Bribery and Anti-Corruption**

Becky Hellard, Director of Finance and Procurement, introduced the report and action plans. Cllrs were invited to ask questions and in response it was noted that:

- The committee supported the action plans.
- There were no plans to legally tie suppliers and contractors in to the policies/ action plans but they were expected to act honestly and with integrity at all times. They were also required to give full access for auditors if needed.
- There were provisions and obligations within the legislation although the policies could be reviewed and strengthened.

**RESOLVED**

**The Audit Committee noted and welcomed the Action Plans on Money Laundering, Anti-Fraud, Theft, Bribery and Anti-Corruption.**

58 **Appointment to the Constitution Focus Group**

The Chairman called for nominations for the appointment of a member to the Constitutional Focus Group.

**RESOLVED**

**To appoint Cllr Richard Britton to the Constitutional Focus Group.**

59 **Task and Finish Group Update**

The Chairman gave an update on the Task & Finish Group looking at independent co-opted members. It was noted that research had started and six Chairmen from a variety of Audit Committees had been contacted.

A further update would be brought to the next meeting.

60 **Forward Work Programme**

The forward work plan was presented.

**RESOLVED**

**The Audit Committee noted the forward work plan.**

61 **Date of Next Meeting**

The next meeting of the Audit Committee was the 7 November 2019.

62 **Urgent Items**

There were no urgent items.

(Duration of meeting: 10.00 am - 12.05 pm)

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

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

# Wiltshire Council

## Report of Internal Audit Activity

### Plan Progress 2019/20 Quarter 2

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Agenda Item 6

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

### David Hill

Chief Executive

Tel: 07595 711087

[David.Hill@SWAPaudit.co.uk](mailto:David.Hill@SWAPaudit.co.uk)

### Charlotte Wilson

Assistant Director

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[Charlotte.Wilson@SWAPaudit.co.uk](mailto:Charlotte.Wilson@SWAPaudit.co.uk)

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## Our audit activity is split between:

- **Operational Audit**
- **School Themes**
- **Governance Audit**
- **Key Control Audit**
- **IT Audit**
- **Grants**
- **Other Reviews**



## Role of Internal Audit

The Internal Audit service for Wiltshire Council is provided by SWAP Internal Audit Services (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), and also follows the CIPFA Code of Practice for Internal Audit. The Partnership is also guided by the Internal Audit Charter approved by the Audit Committee at its meeting on 17<sup>th</sup> April 2019.

Internal Audit provides an independent and objective opinion on the Authority's control environment by evaluating its effectiveness. Primarily the work includes:

- Operational Audit Reviews
- Cross Cutting Governance Audits
- Annual Review of Key Financial System Controls
- IT Audits
- Grants
- Other Special or Unplanned Review

Internal Audit work is largely driven by an Annual Audit Plan. This is approved by the Section 151 Officer, following consultation with the Corporate Leadership Team. The 2019-20 Audit Plan was reported to this Committee and approved by this Committee at its meeting in April 2019. Audit assignments are undertaken in accordance with this Plan to assess current levels of governance, control and risk, however, we ensure an agile approach to enable us to respond to any emerging risks and change.

## Outturn to Date:



## Internal Audit Work Plan

The schedule provided at **Appendix B** contains a list of all audits as agreed in the Annual Audit Plan 2019/20. It is important that Members are aware of the status of all audits and that this information helps them place reliance on the work of Internal Audit and its ability to complete the plan as agreed.

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

To assist the Committee in its important monitoring and scrutiny role, in those cases where weaknesses have been identified in service/function reviews that are considered to represent significant service risks, a summary of the key audit findings that have resulted in the audit receiving a ‘Partial Assurance Opinion’ is given as part of this report.

In circumstances where findings have been identified which are considered to represent significant corporate risks to the Council, due to their importance, these issues are separately summarised.

## 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.



## Added Value

Primarily Internal Audit is an assurance function and will remain as such. However, 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.

The following audits have provided a cross comparison survey for the SWAP Partners within the period:

**Blue Badges** - Benchmarking with other SWAP partners and other authorities in LACAN. A 10 question survey was distributed to all participants focussing specifically on a) how authorities have been implementing developments in the application and renewal processes, consistent with their digital agendas to deliver improved efficiencies and an improved customer experience; and b) how authorities plan to implement the changes required by new legislation to extend the eligibility criteria for Blue Badges to include hidden disabilities.

**Police Authorities** – several benchmarking exercises have been completed but cannot be shared outside of the Police Authorities.

The findings of each survey have been shared with the SWAP Partners.

### SWAP Performance - Summary of Audit Opinions

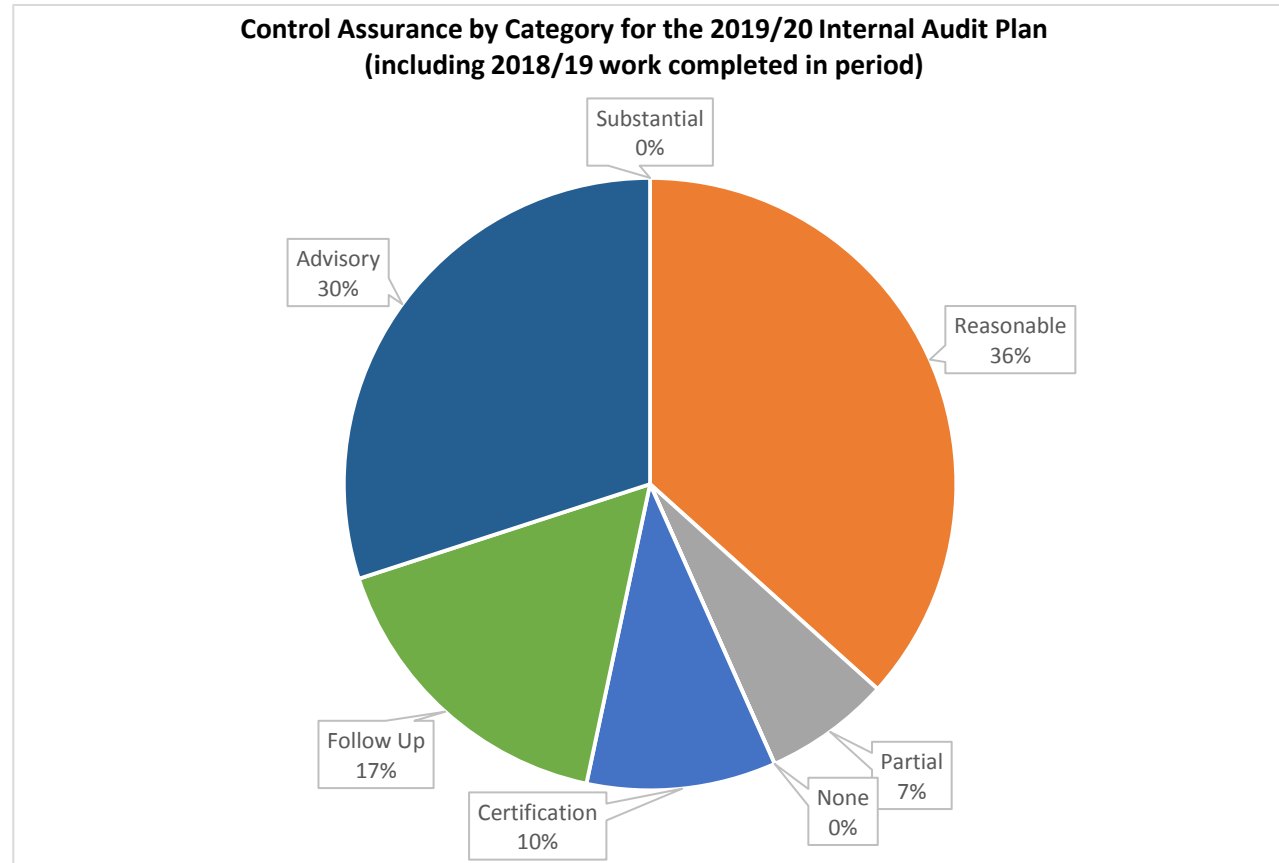
At the conclusion of audit assignment work each review is awarded a "Control Assurance Definition";

- Substantial
- Reasonable
- Partial
- None
- Non Opinion
  - Certification
  - Follow Up
  - Advisory



### Summary of Control Assurance

Of the reviews that have a final report, the opinions offered are summarised below.





# Internal Audit Plan Progress 2019/2020

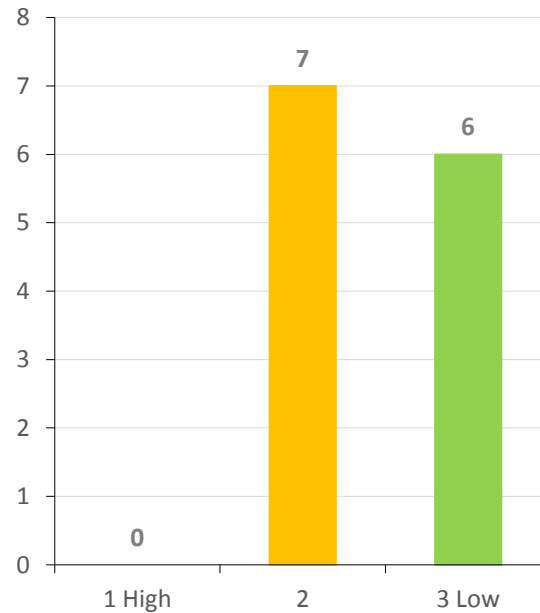
## Summary of Audit Recommendations by Priority

We rank our recommendations on a scale of 1 to 3, with 1 being a fundamental concern to the services/area being reviewed and 3 being a minor concern that requires management attention.

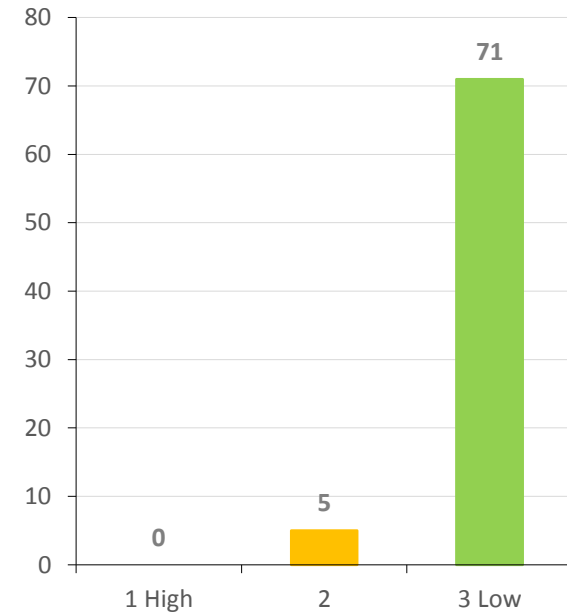


## Summary of Recommendations

Audit Recommendations by Priority  
2019/20  
Non Schools



Audit Recommendations by Priority  
2019/20  
Schools



## Aged Analysis of Audit Recommendations Exceeding the Originally Agreed Target Implementation Date



### Summary of Recommendations

#### Outstanding Audit Recommendations by Priority 2017/18, 2018/19 and 2019/20 Non Schools

	< 30 Days	< 60 Days	< 90 Days	< 120 Days	120+ Days	Totals
<b>3</b>	1	5	1	6	35	<b>48</b>
<b>2</b>	2	3	2	3	12	<b>22</b>
<b>1</b>	0	0	0	0	2	<b>2</b>
<b>Totals</b>	<b>3</b>	<b>8</b>	<b>3</b>	<b>9</b>	<b>49</b>	<b>72</b>

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

	< 30 Days	< 60 Days	< 90 Days	< 120 Days	120+ Days	Totals
<b>3</b>	5	3	4	0	69	<b>81</b>
<b>2</b>	0	0	1	1	10	<b>12</b>
<b>1</b>	0	0	0	0	1	<b>1</b>
<b>Totals</b>	<b>5</b>	<b>3</b>	<b>5</b>	<b>1</b>	<b>80</b>	<b>94</b>

**Appendix C** provides a summary of the outstanding Priority 1 and 2 recommendations, with updates provided by the responsible officer. Where a response to the update request was not received from the responsible officer, it has been assumed that the recommendation remains outstanding and the updated noted as such.

# Internal Audit Plan Progress 2019/2020

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



## SWAP Performance

SWAP now provides the Internal Audit service for 24 Partners and also many subsidiary bodies. SWAP performance is subject to regular monitoring review by both the Board and the Member Meetings. The respective outturn performance results for Wiltshire Council for the 2019/20 year (as at 23<sup>rd</sup> October 2019) are as follows;

Performance Target	Average Performance
<b><u>Audit Plan – Percentage Progress</u></b>	
Completed	29.5%
Work at Report Stage	4%
Fieldwork	24%
Scoping	4%
Yet to commence	38.5%
<b><u>Draft Reports</u></b>	
Issued within 5 working days	64%
Issued within 10 working days	182%
	(Average Days of 4.45)
<b><u>Final Reports</u></b>	
Issued within 10 working days of discussion of draft report	76%
	(Average Days of 11.6)
<b><u>Quality of Audit Work</u></b>	
Customer Satisfaction Questionnaire	97.6%

## Internal Audit Plan Progress 2019/2020

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



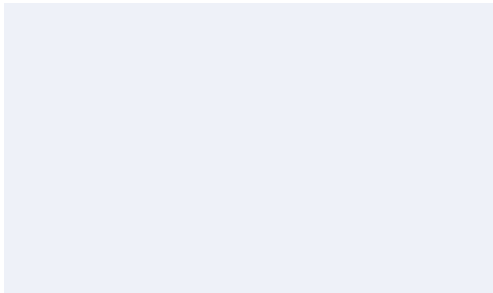
### Approved Changes to the Audit Plan

Planned audit work is as detailed in **Appendix B**. Unplanned work, special reviews or projects carried out on a responsive basis are requested through the Director of Finance & Procurement (Section 151 Officer). As new and emerging risks are identified, any changes to the plan will be subject to the agreement of the Interim Director of Finance & Procurement (Section 151 Officer) and reported to this Committee.

The Director of Finance & Procurement (Section 151) in discussion with the Head of Audit has agreed that the following amendments be made to the 2019/20 Audit Plan:

Audit	Amendment	Reason
Special Investigation 1	Addition	Requested by Client. An internal investigation is currently in progress, the details of this review can therefore not be discussed at this time.
Special Investigation 2	Addition	Requested by Client. The details of this work could be considered commercially sensitive at this stage and can therefore not be discussed at this time.
SAP Systems Controls	Addition	Requested by Client.
Use of Fleet Vehicles in Respite Care	Addition	Requested by Client.
Pensions Code of Practice 14 Compliance	Addition	Requested by Client.
Procurement Process Review	Addition	Requested by Client.
Whistle Blowing Policy and Procedure	Addition	Requested by Client.
Deprivation of Assets	Merger	This audit has now been amalgamated with the Financial Assessments audit.

## Internal Audit Plan Progress 2019/2020



Partnership Governance – Phase 1	Removed	The scope of this review was to concentrate on identifying the various partnerships across the Authority. Following discussions, the Council is now going to undertake this work themselves.
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At the conclusion of audit assignment work each review is awarded a "Control Assurance Definition";



Audit Framework Definitions

Control Assurance Definitions

<b>Substantial</b>	The areas reviewed were found to be adequately controlled. Internal controls are in place and operating effectively and risks against the achievement of objectives are well managed.
<b>Reasonable</b>	Most of the areas reviewed were found to be adequately controlled. Generally, risks are well managed, but some systems require the introduction or improvement of internal controls to ensure the achievement of objectives.
<b>Partial</b>	In relation to the areas reviewed and the controls found to be in place, some key risks are not well managed, and systems require the introduction or improvement of internal controls to ensure the achievement of objectives.
<b>None</b>	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.

**Advisory** - In addition, to our opinion-based work we will provide consultancy services. The advice offered by Internal Audit in its consultancy role may include risk analysis and evaluation, developing potential solutions to problems and providing controls assurance. Consultancy services from Internal Audit offer management the added benefit of being delivered by people with a good understanding of the overall risk, control and governance concerns and priorities of the organisation.

Recommendation are prioritised from 1 to 3 on how important they are to the service/area audited. These are not necessarily how important they are to the organisation at a corporate level.



Audit Framework Definitions

**Categorisation of Recommendations**

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

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

Each audit covers key risks. For each audit a risk assessment is undertaken whereby with management risks for the review are assessed at the Corporate inherent level (the risk of exposure with no controls in place) and then once the audit is complete the Auditors assessment of the risk exposure at Corporate level after the control environment has been tested. All assessments are made against the risk appetite agreed by the SWAP Management Board.

**Definitions of Risk**

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

Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	1 = Major 2 = Moderate 3 = Minor Recommendation		
						1	2	3
						<b>Outstanding 2018/19 Plan Progress</b>		
<b>Complete</b>								
Operational	Deferred Payments	Q2	Completed	Partial	7	1	2	4
Operational	Employment and Skills (Children’s Services)	Q2	Completed	Advisory	N/A			
Operational	Mobile Computing/Device Management	Q2	Completed	Reasonable	0			
School	Thematic – Schools Financial Management	Q2	Completed	Advisory	N/A			
Operational	Community Infrastructure Levy/S106 Agreements	Q2	Completed	Reasonable	4		1	3
Operational	Contract Management - Street Lighting and Grounds Maintenance	Q3	Completed	Reasonable	4			4
Non-Opinion	Court of Protection File Review	Q4	Completed	Advisory	N/A			
<b>Reporting Stage</b>								
Operational	Highways Contract – Use of Subcontractors	Q1	Draft					
<b>In Progress</b>								
Operational	Families and Children Transformation Stream	Q2	Fieldwork					

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Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	1 = Major ↔ 3 = Medium Recommendation		
						1	2	3
						<b>2019/20 Plan Progress</b>		
<b>Complete</b>								
Follow Up	Clarendon Juniors	Q1	Completed	Follow Up	N/A			
Advisory	Relief Bank	Q1	Completed	Advisory	N/A			
Advisory	SAP Systems Controls	Q1	Completed	Advisory	N/A			
Advisory	Special Investigation 1	Q1	Completed	Advisory	N/A			
Operational	Court of Protection: Deputyship and Appointeeship for Service Users	Q1	Completed	Partial	5		4	1
Advisory	Special Investigation 2	Q1	Completed	Advisory	N/A			
Follow Up	Travel and Expense Claims Cloud Based System	Q1	Completed	Follow Up	N/A			
Grant Certification	Public Health Grant	Q1	Completed	Certification	N/A			
Grant Certification	Pothole Action Fund & Flood Resilience Fund	Q1	Completed	Certification	N/A			
Follow Up	Fraud Referral Process	Q1	Completed	Follow Up	N/A			
School	Derry Hill CE (VA) Primary School	Q2	Completed	Reasonable	7		1	6
School	Newton Tony CE (VC) Primary School	Q2	Completed	Reasonable	8			8
Follow Up	St Mary's Primary School	Q2	Completed	Follow Up	N/A			
School	Stanton St Quinton Primary School	Q2	Completed	Reasonable	9			9

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Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	1 = Major ↔ 3 = Medium Recommendation		
						1	2	3
						Operational	Pensions Code of Practice 14 Compliance	Q2
Operational	Programme Management	Q2	Completed	Reasonable	7	2	5	
Follow Up	Parking Income	Q2	Completed	Follow Up	N/A			
Grant Certification	Local Authority Bus Subsidy	Q2	Completed	Certification	N/A			
Operational	Use of Fleet Vehicles in Respite Care	Q2	Completed	Advisory	N/A			
School	The New Forest C of E (VA) Primary School	Q2	Completed	Reasonable	10		10	
School	Sarum St Paul's C of E (VA) Primary School	Q2	Completed	Reasonable	7	1	6	
School	Crudwell C of E Primary School	Q3	Completed	Reasonable	5	3	2	
Advisory	Procurement Process Review	Q3	Completed	Advisory	N/A			
<b>Reporting Stage</b>								
ICT	Data Centre Operations	Q1	Discussion					
Operational	Transformation Delivery – Lessons Learnt	Q1	Draft					
School	Woodlands Primary School	Q3	Draft					
<b>In Progress</b>								
Grant Certification	Troubled Families	Q1-Q4	Fieldwork					
Governance, Fraud & Corruption	National Fraud Initiative (NFI)	Q1-Q4	Fieldwork					
Governance, Fraud & Corruption	Organisational Fraud Awareness	Q1-Q4	Fieldwork					

Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	1 = Major ↔ 3 = Medium Recommendation		
						1	2	3
						Healthy Organisation	Healthy Organisation	Q1-Q2
Follow Up	Officers Declarations of Interests, Gifts and Hospitality	Q1	Fieldwork					
Operational	ICT & Digital Strategy	Q1	Fieldwork					
Operational	Financial Assessments and Deprivation of Assets	Q2	Fieldwork					
Operational	Contract Management	Q2	Fieldwork					
School	Kiwi Primary School	Q2	Fieldwork					
Operational	Corporate Debt Management – Phase 1	Q2	Fieldwork					
Operational	Waste Management Contract	Q2	Scoping					
Operational	Council Tax	Q3	Fieldwork					
Operational	Business Rates	Q3	Fieldwork					
Operational	Accounts Payable	Q3	Fieldwork					
Operational	Accounts Receivable	Q3	Fieldwork					
Operational	Direct Payments	Q3	Fieldwork					
Advisory	Whistleblowing Policy and Procedure	Q3	Fieldwork					
Operational	Workforce Planning	Q3	Scoping					
Operational	Housing and Council Tax Benefits	Q4	Fieldwork					

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Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	1 = Major ↔ 3 = Medium Recommendation		
						1	2	3
						Operational	Payroll and Expenses	Q4
Operational	Main Accounting	Q4	Fieldwork					
Operational	Housing Rents	Q4	Scoping					
<b>Yet to Commence</b>								
Operational	High Needs Block	Q1						
Governance, Fraud & Corruption	Council Oversight of Maintained Schools	Q1						
Operational	Medium Term Financial Strategy	Q2						
ICT	Management of Hybrid Cloud Operations	Q2						
ICT	High Level Cyber Security	Q2						
School	Thematic School Reviews	Q3-Q4						
Operational	Adoption	Q3						
School	Christ the King Catholic School	Q3						
School	Sambourne C of E (VC) Primary School	Q3						
Operational	Corporate Debt Management – Phase 2	Q3						
Governance, Fraud & Corruption	Financial Regulations and Contract Standing Orders	Q3						
Follow Up	Traded Services with Schools	Q3						

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Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	1 = Major ↔ 3 = Medium Recommendation		
						1	2	3
						Operational	Housing Repairs	Q3
Governance, Fraud & Corruption	Partnership Governance – Phase 2	Q3						
ICT	General Data Protection Regulations (GDPR) Compliance	Q3						
Operational	SEN Children’s Transition to Adult Services	Q4						
Grant Certification	Growth Hub	Q4						
Operational	Strategic Assets and Facilities	Q4						
Operational	Commercial Trading	Q4						
Governance, Fraud & Corruption	Fraud Intelligence Hub	Q4						
Operational	Pension Fund Investment Transfer	Q4						
Operational	Homelessness Strategy	Q4						
Operational	Planned Maintenance of Leasehold Properties	Q4						
ICT	Business Continuity	Q4						
ICT	Agile ICT Audit Project Assurance including Get Well	Q4						
ICT	WAN Procurement Approach	Q4						
Operational	Public Health Contract Compliance	Q4						
Follow Up	Adult Social Care Contracts	Q4						

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Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	1 = Major ↔ 3 = Medium Recommendation		
						1	2	3
						Follow Up	Supply Chain Management	Q4
Follow Up	Premises Health and Safety	Q4						

Wiltshire Council Outstanding Recommendations 27.09.19

Non Schools

Data revision date: 27 September 2019

Head of ICT							
ICT Business Continuity Planning (Audit Report Issued 14th July 2017)							
Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
35553	It has been agreed that the ICT Disaster Recovery plan will be reviewed and updated following the restructure of the Council's ICT service.	2	Outstanding	31-Oct-17		Head of ICT	The Head of Service did not provide an updated response to the status of this recommendation.
35554	It has been agreed that in the absence of a live test of the whole Disaster Recovery Plan, a desk based exercise will be undertaken to verify that the plan is complete and will allow the ICT service to recover the network in the event of an incident.	2	Outstanding	31-Dec-17		Head of ICT	The Head of Service did not provide an updated response to the status of this recommendation.
Cyber Security (Audit Report Issued 31st October 2018)							
Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update

37947	It has been agreed that when the Business Continuity Plan, Disaster Recovery Plan and Incident Management Process is next updated, action will be taken to ensure complete and reflect the current management structure of the Council's ICT service, including contact details.	2	Outstanding	31-Mar-19	31-Mar-20	Operations and Transitions Manager	Update of the Business Continuity Plan is complete. Update of the ICT Incident Management process will be complete by end of July 2019. The ICT DR plan will be reviewed/updated during 2019/20 as budget for this is now available in the ICT 2019/20 capital budget.
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### Director HR & OD

#### Staff Survey Action Plans (Audit Report Issued 21st September 2018)

Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
39386	It has been agreed that the Council will consider corporately the purpose of the Staff Survey and issue clear guidance and support to enable directorates and teams to be able to analyse reports, create action plans, monitor and be able to complete them.	2	Outstanding	28-Jun-19		Corporate Directors (with support from HR Systems & Insight Manager and Director of HR & OD)	The Director did not provide an updated response to the status of this recommendation.

### Head of Business Finance

#### Gross Loans (Audit Report Issued 18th June 2019)

Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
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41539	It has been agreed that the Council will provide further financial training to the Placements team to ensure journals are completed accurately.	2	Outstanding	25-Jun-19	31-Oct-19	Head of Business Finance	Journals will now be undertaken in Accountancy with full back up papers being supplied by the Placements Team. Further work will be undertaken with the Placements Team in October to ensure consistency in the preparation of back up documentation.
41541	It has been agreed that the Council will ensure that correct procedures are followed when invoicing a customer to ensure that the debt is appropriately accounted for in a timely manner and debt recovery procedures can be followed.	1	Outstanding	25-Jun-19	31-Oct-19	Head of Business Finance	Further work is required to ensure that all invoicing is up to date and that outstanding debts are taken forward into recovery.
Page 33 41542	It has been agreed that the Placements Team will ensure that the documented procedure is followed and where exceptions to the procedures are identified this should be escalated on a case by case basis for approval and this approval documented. Furthermore, approval levels relating to the decision not to invoice or to delay invoicing should be agreed and clearly documented.	2	Outstanding	25-Jun-19	31-Oct-19	Head of Business Finance	Team brief on this will be carried out in October to ensure that there is consistency.

41543	It has been agreed that the Placements Team will be trained to ensure they are competent in raising part credits to reduce balances on invoices. This will ensure that invoices are raised in a timely manner and that the debt is more likely to be recovered.	1	Outstanding	25-Jun-19	31-Oct-19	Head of Business Finance	This will be carried out as part of planned team brief in October.
41544	It has been agreed that monthly and year end reconciliations are carried out as part of a business as usual process in order to identify where activity is overdue and that this is documented as part of the process.	2	Outstanding	25-Jun-19	31-Oct-19	Head of Business Finance	Some work has been undertaken on the reconciliations to bring it up to date. This will complete in October and then undertaken monthly after that.

<b>Traded Services Manager</b>							
<b>Traded Services with Schools (Audit Report Issued 6th March 2019)</b>							
<b>Reference Number</b>	<b>Recommendation</b>	<b>Priority</b>	<b>Status</b>	<b>Original Target Date</b>	<b>Revised Target Date</b>	<b>Responsible Officer</b>	<b>Management Response / Update</b>

39704	It has been agreed that the Council will review the position of Traded Services with Schools and the roles and responsibilities of the service itself to ensure clear accountability & governance at all levels to include oversight, scrutiny and decision making.	2	Outstanding	31-Jul-19	01-Mar-20	Director of Education and Skills Traded Services Manager	The roles and responsibilities within the team have been identified by the Traded Services Manager, evaluated by HR and agreed by Finance and the Director of Education and Skills. The Traded Services Task Group have been steering the direction of travel for Traded Services and have supported the ongoing and time-consuming negotiations to transfer the outdoor education centres to third-party providers. The task group will continue through to Children Select Committee in January 2020 by which time a new governance structure will be created to include oversight, scrutiny and decision making.
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<b>Head of Housing Operations</b>							
<b>Homelessness Reduction Act (Audit Report Issued 10th December 2018)</b>							
<b>Reference Number</b>	<b>Recommendation</b>	<b>Priority</b>	<b>Status</b>	<b>Original Target Date</b>	<b>Revised Target Date</b>	<b>Responsible Officer</b>	<b>Management Response / Update</b>
39589	It has been agreed that the Council's new Homelessness Strategy is progressed to completion, members' approval and publication as a priority to comply with legislative requirements.	2	Outstanding	31-Mar-19	31-Oct-19	Head of Housing Operations	Not yet implemented – currently at the formal consultation phase. A new implementation date of 31st October 2019 has been set.

<b>Corporate Support Manager</b>
<b>Risk and Performance Management (Audit Report Issued 14th November 2018)</b>

Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
39940	It has been agreed that the Council will ensure that clear targets are listed against performance measures to allow performance to be substantiated and to assist the Council in making informed decisions.	2	Outstanding	30-Apr-19		Corporate Support Manager	<p>The corporate approach has been that targeting is not always appropriate. This remains the case.</p> <p>The process of identifying and defining performance management allows for a calculated judgment of performance based on a verity of criteria and definable tolerances.</p> <p>The creation of the BIH will enable a new corporate performance framework will be developed alongside the outcomes-based business planning approach. This will include both the “what”; metrics to measure delivery of outcomes and outputs as well as the “how”; a common approach to guide the cycle of data-driven decision making.</p>

## Facilities Management Delivery Manager

### Maintenance of Property (Audit Report Issued 10th December 2018)

Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
39101	It has been agreed that Facilities Management will ensure they meet their contractual obligation to monitor all key performance indicators of each property maintenance contract to achieve good performance, value for money and good satisfaction from stakeholders. Key performance indicators that are not monitored should be reviewed to consider their application, replacement or deletion from the contractual agreement. The Procurement guidance on Contract Management should be finalised and made available on the relevant section of the intranet.	2	Outstanding	06-Dec-18		Facilities Management Delivery Manager	The Manager did not provide an updated response to the status of this recommendation.
39131	It has been agreed that Facilities Management will ensure that Kier Services meet their contractual responsibility to pay the subcontractors they engage within the required 30 days of the invoice date.	2	Outstanding	06-Apr-19		Facilities Management Delivery Manager	The Manager did not provide an updated response to the status of this recommendation.

Head of Pensions Administration and Relations							
Pensions (Audit Report Issued 30th April 2019)							
Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
Page 38 41019	It has been agreed that the Fund will liaise with the Information Governance team to help develop a plan to meet the GDPR requirements. The Fund needs to keep documented notes of the steps they are taking to meet the GDPR.	2	Outstanding	31-May-19		Head of Pensions Administration and Relations	<p>Following internal discussion and liaison with our major software provider, we have produced a strategy which outlines in detail the approach we intend to take for data minimisation and retention (both for legacy and new data). Our initial approach includes a deal of pragmatism to ensure it is manageable and realistic with the intention this will evolve over time with developments in the functionality of Altair.</p> <p>We have now sent this to Andy Holyoake and are awaiting a response before we put the strategy into action.</p>

Payroll and Business Development Manager							
Payroll (Audit Report Issued 18th June 2019)							
Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update

41236	It has been agreed that the Payroll & Business Development Manager will consider how the Council will ensure that Right to Work checks are completed and retained on file for all employees recruited prior to the new automated process coming into effect in order to demonstrate compliance with statutory requirements.	2	Outstanding	31-Jul-19	31-Mar-20	Talent and Resourcing Manager HR & OD	Following the recommendation we have scheduled a series of comms to our managers across the organisation to check and obtain a copy of the Right to Work for their team members which will be emailed to the recruitment team and uploaded into each employee's HR folder.
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**Director Digital Transformation and IT - Post Vacant**

**Digital Transformation (Audit Report Issued 5th April 2019)**

Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
40974	It has been agreed that the Interim Director: Digital Transformation & IT will ensure that the Corporate Business Continuity Plan is revisited in line with changes under the transformation programme.	2	Outstanding	30-Jun-19		Interim Director: Digital Transformation & IT	An update was requested from the Head of ICT, however, an updated response to the status of this recommendation was not received.
40975	It has been agreed that the Interim Director: Digital Transformation & IT will ensure that the ICT Disaster Recovery Plan is updated in line with changes under the transformation programme.	2	Outstanding	30-Jun-19		Interim Director: Digital Transformation & IT	An update was requested from the Head of ICT, however, an updated response to the status of this recommendation was not received.

40981	It has been agreed that the Interim Director: Digital Transformation & IT will create a mechanism for ensuring that risks identified at programme level are fed into the wider corporate risk management framework. Open dialogue between the responsible officers is maintained throughout the life of the programme.	2	Outstanding	31-May-19		Interim Director: Digital Transformation & IT	An update was requested from the Head of ICT, however, an updated response to the status of this recommendation was not received.
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Head of Strategic Assets and Facilities Management							
Property Management - Third Party Income (Audit Report Issued 19th February 2019)							
Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update



<p style="text-align: center;">39960</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 41</p>	<p>It has been agreed that the Council will implement the Third-Party Charging Policy (and Approach to Asset Management) as a priority to ensure whilst still working within the principles of partnership, rental income is optimised.</p> <p>The Third-Party Charging Policy should include the decision process governing the letting of office space to ensure it is transparent, consistently applied and supports the reasons for any discounts or free lets applied. This should be complemented by a Corporate Concessionary Rent Policy, allowing the Council to be transparent in charging less than market charges.</p>	<p style="text-align: center;">2</p>	<p style="text-align: center;">Outstanding</p>	<p style="text-align: center;">30-Jun-19</p>		<p style="text-align: center;">Head of Strategic Asset &amp; Facilities Management and Asset Manager, Estates &amp; Asset Use, Strategic Assets &amp; FM.</p>	<p>The Head of Service did not provide an updated response to the status of this recommendation.</p>
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Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
41128	It has been agreed that the Council will ensure it is complying with corporate policy and health and safety regulations by committing greater resources into monitoring the completion of key safety tasks by Premises-Controlling Managers and by identifying persons to complete these tasks in shared occupancy premises. The Council should ensure that all arrangements are clearly documented to allow for easy identification of missing resources in the future and should consider the arrangements for filling these resource gaps, even if temporary, should they occur.	2	Outstanding	30-Sep-19		SA&FM Asset Portfolio Manager - Asset Condition	The Head of Service did not provide an updated response to the status of this recommendation.

41198	It has been agreed that all sites will have an identified person with responsibility to ensure key safety tasks, as set out in the corporate policy, are completed. Consideration should be made to ensuring that these tasks are clearly identified for each site and for training to be provided for the persons required to undertake them. Furthermore, an up to date list of all Responsible People should be maintained in order to be able to quickly and effectively send out relevant email communications.	2	Outstanding	30-Sep-19		SA&FM Asset Portfolio Manager - Asset Condition	The Head of Service did not provide an updated response to the status of this recommendation.
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### Head of Passenger Transport

#### Taxi Licensing (Audit Report Issued 8th October 2018)

Reference Number	Recommendation	Priority	Status	Original Target Date	Revised Target Date	Responsible Officer	Management Response / Update
39374	It has been agreed that management resources will be identified to carry out the periodic monitoring of contracts to ensure adequate performance during the contract term, including best value reviews.	2	Outstanding	28-Feb-19	30-Sep-19	Head of Passenger Transport	The post will be created as part of the review of PTU and implemented by September 2019.

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## Relevant Excerpts from the Performance and Risk Management Policy agreed in February 2019

### Section 4.4 - Principles

#### Risk Management

Risks are defined in relation to the organisation's ability to achieve its stated priorities and underlying goals in the business plan. Strategic Risks will be managed at the corporate level.

Risks will be owned and managed in service areas and, through a process of defined escalation, reported at a corporate level.

### Section 7 – Risk Management Process

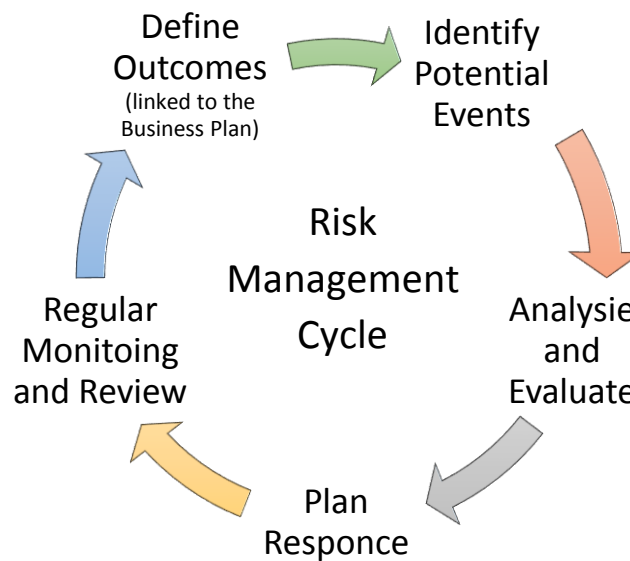
Monitoring, managing and responding to risks are pre-requisites if we are to have confidence in delivering our business plan priorities or to continue to improve our services.

The risk management process is a cyclical process. The Council's approach to the assessment of risk is set out in the guidance available on the performance and risk management area of SharePoint.

Risk assessment is a planned and systematic process starting with the defined outcomes.

- Identifying the events that can have an impact on achieving outcomes;
- Analysing and evaluating the potential likelihood and impact of the risk;
- Planning response including: identifying and taking appropriate actions to mitigate the risk;

- Proactively monitoring, reviewing, communicating and responding to risks on a regular basis.



The assessment methodology is appropriate for use in service assessments, business cases, programmes, projects, partnerships and developing contracting / procurement exercises in supporting identification of risks and mitigating actions.

Risk management requires an assessment of the response to a risk. In some circumstances, it is appropriate to tolerate the risk as it is rather than spend resources attempting to mitigate that risk further.

The risk management assessments will be held as linked-to detailed risk action plans where appropriate.

Risk appetite is the amount and type of risk that the council is willing to take in order to achieve its strategic priorities. A risk appetite will be set for each of the major category of risk. This will be approved by CLT and reviewed on an annual basis.

All service risks will be recorded on service risk registers. These registers are held centrally and used to combine and report risk. Risk registers are living documents and therefore must be reviewed regularly and amended as appropriate. The risk registers are to be monitored at least quarterly, unless a significant event has occurred that warrants early updating and exception reporting.

Risks do not remain static, so regular reports on the Council's risks are essential for keeping all stakeholders informed of the changing conditions, our past performance in dealing with risk and our plans for dealing with future risks. This can help ensure

that any serious risk is effectively managed and promptly drawn to the attention of the relevant level of management.

Risk across the council will be reported quarterly to CLT and Cabinet in the form of a strategic risk register (SRR). This risk register will combine significant service risks and corporate composite risks. Other risk will be reported by exception.

Service, project and directorate risk registers will be used to understand and manage risks at all levels of the council.

Support for services in identifying, quantifying, assessing and managing risks will be available from the corporate Performance and Risk team.

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Definition										
Ref	Compo-site	Risk short name	Cause	Event	Effect	Primary Risk Category	Secondary Risk Category	Owner	Key officers	Main Risk Response
FC01	Crit. Service	Safeguarding Children	The council and / or multi- agency partners failing to follow procedures or to undertake a thorough assessment	The council and / or multi- agency partners providing inappropriate intervention or no intervention.	Children not being protected from harm.	Service Delivery	Reputation	Lucy Townsend	Jen Salter	Treat
FC02	Contracts	Not able to find suitable placements for LAC	Insufficient choice of placements including lack of adoption and foster places	No choice of placements at time of need	CYP placed in less than optimum placement which does not suit the needs of the child or more expensive than needed.	Service Delivery	Financial	Lucy Townsend	Greg Lewis Deb Barlow Helen Jones	Treat
FC03		Primary Permanent Exclusions and Secondary alternative provision	No appropriate school place available for a hard to place primary age child or alternative provision arrangements in secondary schools breakdown	Child being excluded from primary school or secondary school defaulting on alternative arrangements agreements	Excluded primary or secondary school pupils are not appropriately educated.	Reputation	Financial	Lucy Townsend	Nick Breakwell	Treat
FC04	Finance: Savings delivery	SEND Budget	Higher number of young people subject to SEND ECHP and placement costs	Increased demand and insufficient choice of cost effective solutions	Budget overspend due to requirement to provide statutory SEND services	Financial		Lucy Townsend	Nick Breakwell	Treat
FC05	Finance: Unforeseen Demand	Overspend in the Children's service placement budget	The need to accommodate all Children in Care	The choice of placements becomes limited as the demand for placements increases	Money needed to be found from other budgets to cover overspend.	Financial	Service Delivery	Lucy Townsend	Deb Barlow	Tolerate
FC06	Info Gov	Data breach	Failure to manage information effectively in keeping with Data Protection Act Principles leading to reportable incidents and potential data breaches	Sensitive information inappropriately disclosed either verbally, on paper or electronically.	Disclosure of personal data results in Risk and distress to individuals concerned, potential fines from Information Commissioners Office (ICO), reputational damage and loss of confidence in the authority	Legal	Reputation	Lucy Townsend	all HOS (Nick Breakwell)	Treat

Q1 2019/20												
Ref	Compo-site	Risk short name	Q1 Inherent Impact	Q1 Inherent Likelihood	Q1 Inh Risk Rating	Q1 DoT	Q1 Mitigation Actions	Q1 Actions RAG	Q1 Residual Impact	Q1 Residual Likelihood	Q1 Res Risk Rating	Q1 Comments
FC01	Crit. Service	Safeguarding Children	4	3	12	▶	<a href="#">Link to Risk Action Plan</a>	Amber	4	2	8	Caseloads have reduced further and are sustainable but the target isn't yet achieved of no more than 20 per social worker. There is a recruitment and retention strategy and action plan in progress which is reviewed at SMT.
FC02	Contracts	Not able to find suitable placements for LAC	3	3	9	▶	<a href="#">Link to Risk Action Plan</a>	Amber	3	3	9	
FC03		Primary Permanent Exclusions and Secondary alternative provision	3	3	9	▲	Negotiations on secondary SLA are making progress, but still not all schools are signed up. Primary Permanent exclusions continue to rise	Amber	3	3	9	
FC04	Finance: Savings delivery	SEND Budget	4	3	12	▲	<a href="#">Link to Risk Action Plan</a>	Amber	3	3	9	High Needs Block DSG remains under significant pressure. Review underway but actions will be long term
FC05	Finance: Unforeseen Demand	Overspend in the Children's service placement budget	3	3	9	▲	<a href="#">Link to Risk Action Plan</a>	Amber	2	2	4	
FC06	Info Gov	Data breach	3	2	6	▲	<a href="#">Link to Risk Action Plan</a>	Amber	3	2	6	

Q2 2019/20													
Ref	Compo-site	Risk short name	Q2 Inherent Impact	Q2 Inherent Likelihood	Q2 Inh Risk Rating	Q2 DoT	Appetite check	Q2 Mitigation Actions	Q2 Actions RAG	Q2 Residual Impact	Q2 Residual Likelihood	Q2 Res Risk Rating	Q2 Comments
FC01	Crit. Service	Safeguarding Children	4	3	12	▶	-	<a href="#">Link to Risk Action Plan</a>	Amber	4	2	8	Caseload monitoring continues to take place at SMT chaired by the Director monthly and fortnightly at the Performance and Outcomes Group (POG) chaired by the Head of Service. If caseloads increased to a level where risk was increased, this would be discussed at the Performance and Outcomes Board chaired by Terence Herbert. This is not the current situation, whereby the monitoring remains appropriate via SMT and POG. The rag rating is Amber on the basis caseloads are still higher than desired at this time. There is a clear recruitment and retention plan in place and a review or targets being undertaken to ensure the desired caseload per social worker is achievable based on the establishment and considering the % of ASYE's.
FC02	Contracts	Not able to find suitable placements for LAC	3	4	12	▲	-	<a href="#">Link to Risk Action Plan</a>	Red	3	4	12	Strategy rolling out now
FC03		Primary Permanent Exclusions and Secondary alternative provision	3	4	12	▲	-	Working with schools to encourage sign up to SLA for Secondary alternative provision. Currently one school coming back to the agreement and one leaving. Significant project on schools inclusion commencing in September	Amber	3	3	9	
FC04	Finance: Savings delivery	SEND Budget	3	4	12	▶	-	<a href="#">Link to Risk Action Plan</a>	Amber	3	3	9	High Needs Block DSG remains under significant pressure. Review underway but actions will be long term
FC05	Finance: Unforeseen Demand	Overspend in the Children's service placement budget	3	4	12	▲	-	<a href="#">Link to Risk Action Plan</a>	Red	3	3	9	Redesign recruitment Review packages for impact
FC06	Info Gov	Data breach	3	2	6	▶	-	<a href="#">Link to Risk Action Plan</a>	Amber	3	2	6	

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## **AUDIT COMMITTEE TASK AND FINISH GROUP**

### **TO CONSIDER THE INCLUSION OF INDEPENDENT CO-OPTED MEMBERS**

#### **INTRODUCTION**

At its meeting on 26th June 2019, the chairman's proposal that a Task and Finish group be established to consider whether the membership of the Audit Committee should be enlarged to include co-opted lay (ie non-councillor) members, was agreed.

CIPFA recommend the inclusion of co-opted lay members - something which is was supported by Wiltshire Council's s151 officer.

The group consisted of Cllrs Britton, Dobson and Grant.

#### **TERMS OF REFERENCE**

The terms of reference (Appendix 1) were agreed by the members of the Task and Finish Group and formed the basis of the research undertaken.

#### **FINDINGS**

Appendix 2 lists the size of the Audit Committees in the comparison authorities, together with the title of those committees and whether or not they include co-opted lay members.

- The average size of the Audit Committees in the comparison group is 9.3 (cf 11 at WC)
- 5 out of the 15 comparison authorities included co-opted lay members
- 4 of the 15 included "Governance" in the title of the committee and one other has the words "Risk" and "Assurance" in its title

Only two replies were received from the six approaches made by the chairman. These are shown in full in Appendix 3.

In view of (a) the small number of authorities with co-opted lay members; and (b) the disappointing response to our emailed research questions, it was decided not to proceed with further work.

#### **CONCLUSIONS**

- a The present size of Wiltshire Council's Audit Committee is a little larger than in other unitary authorities.
- b There is no evidence that the CIPFA recommendation is being widely adopted.

- c The titles of a third of the comparison audit committees suggests they have a wider role than simply 'audit'. It seems likely that in such cases any co-opted lay members would be recruited for a slightly different set of skills than if the committee simply had 'audit' as its role.

#### **RECOMMENDATIONS**

- 1 That no further action is taken for the time being on the recruitment of co-opted lay members.
- 2 That this be reconsidered after the next local elections in 2021.

## Appendix 1

### Audit Committee

#### To consider whether Wiltshire Council's Audit Committee should seek to recruit independent co-opted members

#### TASK and FINISH GROUP

#### Terms of Reference v1

#### Preamble

For some time now The Chartered Institute of Public Finance and Accountancy (CIPFA) have been advising that local authority Audit Committees should include independent co-opted members. Although there are no statutory requirements for local authorities in England that determine the composition of the audit committee, CIPFA's latest Guidance Note reinforces that recommendation which is now regarded as best practice and good governance:

*CIPFA endorses the approach of mandating the inclusion of a lay or independent member and recommends that those authorities, for whom it is not a requirement, actively explore the appointment of an independent member to the committee.*

#### The purpose of the Task and Finish Group

To investigate the case for the Audit Committee to include independent co-opted members both in respect to recognising that co-option of independent members is beneficial to the audit committee and that the injection of an external view can often bring a new approach to committee discussions as well as considering some potential pitfalls that CIPFA has identified.

To explore as to whether the Audit Committee should change the committee title.

#### Composition and Process

##### 1 Membership

The Group will be made up of:

- 3 representatives from Audit Committee – Cllrs Britton, Dobson, Grant.

## **2 Matters to be considered**

- 1 Should Wiltshire Council's Audit Committee include appropriately-skilled independent co-opted members to provide specialist training and experience input to the committee's work.
- 2 To explore the specialist skills and experience that would be required.
- 3 To determine how many independent co-optees would sit on the committee.
- 4 To determine whether the co-optees would be in addition to the existing membership or whether to replace one or more councillor members (bearing in mind the need for the Cllr membership cohort to be politically balanced).
- 5 To establish whether the co-optees would/could be voting members of the committee.

## **3 Process**

The process that will be followed will be:

- |                       |                                                                                                                                                                                                                                                                              |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 <sup>st</sup> stage | To confirm the Terms of Reference and agree the research agenda.                                                                                                                                                                                                             |
| 2 <sup>nd</sup> stage | Democratic Services to undertake research to identify most appropriate comparator local authorities and to explore: <ul style="list-style-type: none"><li>○ Title of their committees</li><li>○ The number of independent co-opted members</li><li>○ Voting rights</li></ul> |
| 3 <sup>rd</sup> stage | To hold a meeting to consider the findings and determine the next steps.                                                                                                                                                                                                     |



## **Resources**

The Task and Finish Group will be supported by:

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

## **Timescales**

- Stage 1 – To agree the ToR via email
- Stage 2 – Mid August 2019
- Stage 3 - End August 2019

## **DOCUMENTS USED IN THE PREPARATION OF THIS REPORT:**

CIPFA Publication – Audit Committees Practical Guidance for Local Authorities and Police 2018 Edition

## APPENDIX 2

### AUDIT TASK AND FINISH GROUP

#### TO CONSIDER THE APPOINTMENT OF LAY CO-OPTED MEMBERS

#### Comparison authorities

<b>AUTHORITY</b>	<b>Name of committee</b>	<b>Number of members</b>	<b>+ Co-opted lay members</b>
Herefordshire	Audit & Governance	7	0
Powys	Audit	14	1
Dorset	Audit & Governance	10	0
Somerset	Audit	9	0
Cornwall	Audit	10	2
Devon	Audit	7	0
Gloucestershire	Audit & Governance	9	0
Hampshire	Audit	11	0
Surrey	Audit & Governance	6	0
Co. Durham	Audit	9	2
Shropshire	Audit	5	0
Northumberland	Audit	8	0
Isle of Wight	Audit	7	1
Central Beds	Audit	9	0
West Midlands	Audit Risk & Assurance	10	2

## APPENDIX 3

### AUDIT TASK AND FINISH GROUP

#### TO CONSIDER THE APPOINTMENT OF LAY CO-OPTED MEMBERS

##### 1 WC Audit Chair's example email to selected authorities requesting feedback

Dear Cllr

Please excuse me approaching you 'out of the blue' like this but I understand from your council's website that you are the current chairman of the Audit Committee at the Isle of Wight and I am writing to you in my capacity as chairman of the Audit Committee at Wiltshire Council.

Your website indicates that you have an independent co-opted member on your committee in line with the CIPFA guidance. We are considering this guidance and would be very grateful if you could find a moment to answer a couple of questions about your views and experience on this matter.

- 1 Is your independent co-opted member remunerated?
- 2 Was he/she appointed as a result of a formal advertising and interview process? If not, how was he/she selected?
- 3 What particular skills did your committee wish to find to supplement the collective skills and experience of its councillor membership?
- 4 Has the co-opted member made/do they make a significant and worthwhile contribution to the work of your committee?

I would welcome any other comments you might have on the subject.

In anticipation of your guidance on this subject – thank you very much indeed, I am most grateful.

Yours sincerely,

Richard

Cllr Richard Britton

Chairman, Audit Committee, Wiltshire Council

## **2 Summary response from Isle of Wight Council**

Constitution states there are seven members: Currently 3 x Conservatives, 2 x Independent, and 2 x vacancies.

There are no co-opted Members. If recruited, co-opted members would not be paid, and would be non-voting. Any such appointment would be made on the basis of skill, knowledge, qualification and experience relevant to the role of the committee. Consideration would need to be given to how to manage this external access to council information.

## **3 Summary response from Durham County Council**

The independent co-opted members can have professional skills that can improve the make up of the committee and add an independent critical eye. The independence of the member is supported through a robust interview process.

The Committee is effective and uses a Call-In process to discuss recommendations with members and officers.

Independent members receive travelling expenses only.

**The written response was supplemented by a telephone conversation in which the councillor (a) repeated their belief in having co-optees on the audit committee; (b) described the frustrations in engendering enthusiasm for the work of the audit committee; (c) invited Wiltshire Council's chair of audit to attend his next audit committee meeting.**

## PROPOSED WORK PROGRAMME FOR THE AUDIT COMMITTEE

Date	Item	Responsibility	Notes	Report Deadline	Publication
12 February 2020	Q3 IA Report	SWAP		30 Jan	4 Feb
	Grant Certification Report	KPMG			
	Corporate Governance Update	Ian/ Robin			
	Private meeting with SWAP (after committee)				
29 April 2020	Q4 IA Report	SWAP		16 April	21 April
	External Audit Plan	Deloitte			
	Accounting Policies	Deborah Hindson			
	Draft AGS	Ian Gibbons			
22 July 2020	Report to those charged with Governance (ISA 260) 2019/2020	Deloitte		9 July	14 July
	Pension Assurance on accounts	Pension Fund/ Jessica Croman			
	Statement of Accounts	Debora Hindson			
	Annual Governance Statement	Ian Gibbons			
	IA annual report 2019/2020	SWAP			
	Q1 IA Report	SWAP			
	Appointment of a member to the Constitution Focus Group	Chairman			

**PROPOSED WORK PROGRAMME FOR THE AUDIT COMMITTEE - 2019**

18 November 2020	Q2 IA Report	SWAP		5 November	10 November
	Risk and performance Management Policy - Update	Robin Townsend			
	Private Meeting with External Auditors				