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RUSHMOOR BOROUGH COUNCIL

LICENSING AND GENERAL PURPOSES COMMITTEE

*at the Council Offices, Farnborough on
Monday, 27th March, 2017 at 7.00 pm*

To:

Cllr A. Jackman (Chairman)
Cllr M.L. Sheehan (Vice-Chairman)

Cllr Sophia Choudhary
Cllr Liz Corps
Cllr A.H. Crawford
Cllr B. Jones
Cllr S.J. Masterson
Cllr M.D. Smith
Cllr L.A. Taylor
Cllr Jacqui Vosper
Cllr J.E. Woolley

Enquiries regarding this agenda should be referred to the Committee Administrator,
Kathy Flatt, Democratic and Customer Services, Tel. (01252 398829) or email
kathy.flatt@rushmoor.gov.uk.

A G E N D A

1. **MINUTES – (Pages 1 - 10)**

To confirm the Minutes of the Meetings held on 30 January and 2 February 2017 (copy attached).

2. **EXTERNAL AUDIT - PROGRESS REPORT – (Pages 11 - 16)**

To receive a copy of Ernst & Young's audit progress report (copy attached), which provides an overview of the progress made with the work needed to complete the 2016/17 audit. Andrew Brittain, Adrian Balmer and Justine Thorpe from Ernst & Young will be in attendance.

3. **EXTERNAL AUDIT - LOCAL GOVERNMENT AUDIT COMMITTEE BRIEFING – (Pages 17 - 28)**

To receive a copy of Ernst & Young's sector briefing (copy attached), which covers issues which may have an impact on the local government sector and audits undertaken.

4. **INTERNAL AUDIT - AUDIT PLAN – (Pages 29 - 40)**

To consider the Audit Manager's Report No. AUD1702 (copy attached) which sets out the annual plan for 2017/18 give details on the work carried out to develop the plan.

5. **DRAFT FOOD AND HEALTH AND SAFETY SERVICE PLAN 2017/18 – (Pages 41 - 44)**

To consider the Head of Environmental Health and Housing's Report No. EHH1707 (copy attached), which seeks comments on the draft combined Food/Health and Safety Service Plan for 2017/18, which will also be reported to the Cabinet on 4th April 2017.

6. **EXCLUSION OF THE PUBLIC –**

To consider resolving:

That, taking into account the public interest test, the public be excluded from this meeting during the discussion of the undermentioned item to avoid the disclosure of exempt information within the paragraph of Schedule 12A to the Local Government Act 1972 indicated against such item:

Agenda Item No. - 7

Schedule 12A Category – 1 (Information relating to an individual)

EXEMPT ITEM FOR DECISION

7. **COMMUNITY AWARD 2017 - NOMINATIONS – (Pages 45 - 46)**

To consider the Head of Democratic Services' Report No. DCS1701 (copy attached) on the nominations received for the Community Award 2017.

PUBLIC PARTICIPATION AT MEETINGS

Members of the public may ask to speak at the meeting on any of the items on the agenda by writing to the Committee Administrator at the Council Offices, Farnborough by 5.00 pm three working days prior to the meeting.

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LICENSING AND GENERAL PURPOSES COMMITTEE

Meeting held on Monday, 30th January, 2017 at the Council Offices,
Farnborough at 7.00 p.m.

Voting Members

Cr. A. Jackman (Chairman)

a Cr. M.L. Sheehan (Vice-Chairman)

a Cr. Sophia Choudhary
Cr. Liz Corps
Cr. A.H. Crawford

Cr. B. Jones
Cr. S.J. Masterson
Cr. M.D. Smith

a Cr. L.A. Taylor
Cr. Jacqui Vosper
Cr. J.E. Woolley

Apologies for absence were submitted on behalf of the Vice-Chairman
(Cr. M.L. Sheehan) and Crs. Sophia Choudhary and L.A. Taylor.

21. **MINUTES –**

The Minutes of the Meeting held on 28th November, 2016 were approved
and signed by the Chairman.

22. **SELECTION OF THE MAYOR AND DEPUTY MAYOR 2017/18 –**

The Chief Executive reported on the outcome of the selection process for
the Mayor-Elect and the Deputy Mayor-Elect for 2017/18. The Chief Executive
had contacted the appropriate Members on the seniority list and reported that Cr.
S.J. Masterson was the next Member able to accept the nomination for Deputy
Mayor. Through normal progression, Cr. Sophia Choudhary, currently Deputy
Mayor, would progress to the position of Mayor for 2017/18.

The Committee **RECOMMENDED TO THE COUNCIL** that:

- (i) Cr. Sophia Choudhary be appointed as Mayor-Elect for the
2017/18 Municipal Year; and
- (ii) Cr. Stephen John Masterson be appointed as Deputy Mayor-Elect
for the 2017/18 Municipal Year.

23. **THE AUDIT PLAN –**

The Chairman welcomed to the meeting Mr. Adrian Balmer, Manager,
Government and Private Sector of Ernst & Young who reported to the
Committee on the Audit Plan which set out how the company intended to carry
out its responsibilities as auditor. The Plan summarised an initial assessment of
the key risks driving the development of an effective audit for the Council and
outlined a planned audit strategy in response to those risks.

RESOLVED: That the Audit Plan be noted.

24. CERTIFICATION OF CLAIMS AND RETURNS ANNUAL REPORT 2015/16 –

The Committee received a copy of Ernst & Young's Certification of Claims and Returns Annual Report 2015/16 in connection with the audit of the Council's claim to the Department for Work and Pensions in respect of the housing benefit subsidy. It was noted that the claim had been checked and certified with a total value of £37,327,041 and that the submission deadline had been met. Members also noted that the 2015/16 certification fee was £8,652 and that the indicative certification fee for 2016/17 was £7,511.

RESOLVED: That Ernst & Young's Certification of Claims and Returns Annual Report 2015/16 be noted.

25. EXTERNAL AUDITOR'S SECTOR BRIEFING –

The Committee received Ernst & Young's Local Government Audit Committee Briefing paper, which covered Government and economic news, accounting, auditing and governance, regulation news and key questions for the audit committee.

RESOLVED: That the Local Government Audit Committee briefing paper be noted.

26. FEES AND CHARGES – SKIN PIERCING –

The Committee considered the Head of Environmental Health and Housing's Report No. EHH1702, which sought approval for revised fees and charges for skin piercing registration functions provided by the Environmental Health and Housing Service

The Committee was advised that fees for the registration services had last been reviewed in January, 2011 and had been set at £125 to register a business premises and £92 to register a person. Following a review of the work required to deliver the registration activity, and based on the principle of full cost recovery for the services provided, it was proposed that the fee for the registration of the premises should be set at £180 and the fee per person should be set at £90. The fees would come into effect from 1st April, 2017.

RESOLVED: That approval be given to the revised fees, as set out in the Head of Environmental Health and Housing's Report No. EHH1702.

27. INTERNAL AUDIT UPDATE –

The Committee received the Audit Manager's Report No. AUD1701, which set out the work of internal audit undertaken during the period September to December, 2016.

The Report set out details in respect of: Housing Benefits; treasury

management; Council Tax billing and collection; Council Tax and NNDR recovery; server virtualisation; audit follow-ups; and, mobile devices follow-up. Members were also advised that audit work was currently underway in respect of Public Sector Internal Audit Standards, cash receipting, parking machine income and Activation Aldershot (Capital Project).

During discussion, a question was raised in respect of payment of National Insurance in connection with the calculation of Members' allowance payments at the start of a Municipal Year. It was agreed that this issue would be raised with Human Resources.

RESOLVED: That the Audit Manager's Report No. AUD1701 be noted.

28. **ANNUAL TREASURY MANAGEMENT STRATEGY 2017/18 AND PRUDENTIAL INDICATORS FOR CAPITAL FINANCE –**

The Committee considered the Head of Financial Services' Report No. FIN1703, which provided an update on the Treasury Management Indicators and Prudential Indicators for capital financing for the year 2016/17. The Report also set out the proposed Treasury Management Strategy for the year 2017/18, including the borrowing and investment strategies and treasury management indicators, the Prudential Indicators for capital finance for 2017/18 and the Minimum Revenue Provision Statement.

The Report advised that funds invested consisted of short-term cash available due to timing of income and expenditure (e.g. from movements in working capital or from reserves that needed to be available in the short term) and potentially longer-term investment funds derived from the Council's capital receipts. Arlingclose's advice continued to indicate that the Council should diversify investment risk by spreading smaller amounts over an increasing number of counterparties.

Members noted that the Council would now need to incur some borrowing to support the financing of its approved Capital Programme in the current year. The Council therefore would commence 2017/18 in a position where its investment holdings remained significant, but it also carried some debt. There would be an inevitable requirement to incur some additional borrowing to service capital expenditure in 2017/18. Careful observation of the Prudential Indicator "gross debt versus capital financing requirement" would need to be undertaken progressively throughout the financial year. This meant that the Council would have to redeem an element of its market investments towards the end of 2017/18 and in future years in order to reflect the requirements of this Indicator.

During discussion, Members raised questions concerning a cap on borrowing, property assets and sources of long-term and short-term borrowing.

RESOLVED: That Cabinet be recommended to approve:

- (i) the revised Treasury Management and Prudential Indicators for the year 2016/17, as set out in Appendix A to the Head of

Financial Services' Report No. FIN1703;

- (ii) the Treasury Management Strategy, Annual Borrowing Strategy and Annual Investment Strategy, as set out in Appendix B to the Report;
- (iii) the Prudential Indicators, as set out in Appendix C to the Report; and
- (iv) the Minimum Revenue Provision Statement, as set out in Appendix D to the Report.

29. FOLLOW UP FROM AUDIT RESULTS REPORT –

The Committee considered the Head of Financial Services' Report No. FIN1704, which set out the Council's response to an issue which had been raised by Ernst & Young in its Annual Audit Results Report and considered by the Committee on 26th September, 2016.

By way of background, the Committee was advised that the Audit Report had identified an uncorrected error in the accounts and the proposed treatment of this had been set out in the Letter of Representation from Management which had been discussed and approved by the Committee. In the Letter of Representation a commitment had been made to review the entire population of debtors and to correct any errors subsequently identified, prior to the submission of the accounts for 2016/17 and to adopt necessary procedures to ensure that all debtor balances were adequately evidenced and provided against where necessary.

The Committee was advised that the Accountancy Team within Financial Services had carried out a complete exercise on all debtors that fell outside of the verifiable systems (i.e. sundry debtors, Council Tax, business rates, housing benefit, purchase ledger) to identify all accounts where there had been no movement during 2015/16. These had then been reviewed for supporting evidence. This exercise had identified four other balances where sufficient supporting evidence of a collectable debt was no longer available and of action taken since. The total amount written back to the General Fund would be £91,877, which represented 1.85% of total debtors. It was advised that a process would be built into the annual accounts timetable going forward so that information relating to debtors was adequately maintained and an assessment would be made for any provision against bad debt and doubtful debt.

The Report informed the Committee that the debtors that fell outside of the main systems were a small fraction of the total debtors category and were largely highways related (where works were recharged to others such as Hampshire County Council) or are in receipt of rent deposits or car loans, all of which were recorded well within services. A working paper had been prepared to share with the auditors to demonstrate compliance with best practice and with the proposals set out in the Letter of Representation.

Members were also advised that the variance in the revenue account had been reported to the Cabinet as part of the October budget monitoring report (Report No. FIN1622) and had therefore been taken into account when estimating the outturn position for 2016/17.

RESOLVED: That the action proposed in response to the Audit Results Report, as set out in the Head of Financial Services' Report No. FIN1704, be noted.

30. **PAY POLICY STATEMENT –**

The Committee considered the Corporate Director's Report No. CD1701, which set out the framework within which pay was determined at the Council and provided an analysis comparing the remuneration of the Chief Executive with others employed by the Council.

The Committee was advised that the ratio between the Chief Executive and the full-time equivalent salary for a permanent member of staff employed on the lowest grade was 7.1:1, which was lower than when the exercise had been undertaken for the previous year when the figure had been 7.5:1. It was also advised that the ratio that looked at the median remuneration of staff compared to the Chief Executive showed no change from the previous year and remained at 3.8:1.

The Committee **RECOMMENDED TO THE COUNCIL** that the Pay Policy Statement 2017/18 be adopted.

The Meeting closed at 8.00 p.m.

A. JACKMAN
CHAIRMAN

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LICENSING AND GENERAL PURPOSES COMMITTEE

Special Meeting held on Thursday, 2 February 2017 at the Council Offices, Farnborough at 5.30 pm.

Voting Members

Cllr A. Jackman (Chairman)
Cllr M.L. Sheehan (Vice-Chairman)

Cllr Liz Corps
Cllr B. Jones
Cllr S.J. Masterson
Cllr M.D. Smith
Cllr L.A. Taylor
Cllr Jacqui Vosper
Cllr J.E. Woolley

The Leader of the Council, Councillor David Clifford, and the Cabinet Member for Corporate Services, Councillor Paul Taylor, were also in attendance at this meeting.

Apologies for absence were submitted on behalf of Councillor Sophia Choudhary and Councillor Alex Crawford.

31. EXCLUSION OF THE PUBLIC

RESOLVED: That the public be excluded from this meeting during the discussion of the undermentioned item to avoid the disclosure of exempt information within the paragraph of Schedule 12A to the Local Government Act, 1972 indicated against such item:

Minute No. – 32

Schedule 12A Para. No. – 1

Category - Information relating to an individual

THE FOLLOWING ITEM WAS CONSIDERED IN THE ABSENCE OF THE PUBLIC

32. APPOINTMENT OF CHIEF EXECUTIVE/HEAD OF PAID SERVICE

The Committee considered the Chairman's Exempt Report No. LGP1701, which set out the recommendation of the recruitment panel following the conclusion of the Chief Executive recruitment process, which had been concluded earlier that day. In accordance with the Council's Constitution, the Committee's recommendation would be considered by the full Council for approval.

The Report advised the Committee that, following the announcement by the Chief Executive that he would be leaving at the end of February, 2017, a recruitment process had been put in place, supported by Solace in Business, which had concluded on 2nd February. It was noted that the selection process had been agreed by the Cabinet on 15th November, 2016 (Report No. CEX1605), where a recruitment panel of four Members (Leader of the Council, Chairman of the Licensing and General Purposes Committee, Cabinet Member for Corporate Services and the Leader of the Labour Group) had been established to manage the process. A job description and person specification for the role of Chief Executive had been agreed, including the statutory responsibilities of Head of Paid Service, the Borough's Electoral Registration Officer and Returning Officer. The post had been advertised in The Guardian and the Municipal Journal. It was noted that 32 applications had been received and a long-list of twelve candidates had been selected for a technical interview with a consultant from Solace in Business and a technical assessor who was an ex-local authority Chief Executive.

The Committee was advised that a confidential report had been prepared following the technical interviews, which had been considered and a short-list of five candidates had been invited to an Assessment Centre on 1st February, 2017. The five candidates had participated in a range of exercises to assess their suitability for the role. Details were set out in the Exempt Report of the presentations, exercises, discussions and profiling which had been undertaken by the candidates. Following the conclusion of the Assessment Centre, the recruitment panel met with the team of assessors from Solace and considered feedback about each of the candidates. After careful consideration, it had been agreed that three candidates would be invited back to attend a final interview on 2nd February. It was noted that the candidates had been invited individually to give a presentation to an interview panel drawn from the Licensing and General Purposes Committee, plus the recruitment panel, on a topic previously unseen until shortly before the interview, which was then followed by a formal interview.

The Committee was advised that, at the conclusion of the rigorous and detailed selection process, it had been decided to recommend to the Committee that Mr. Paul Shackley, be agreed as Chief Executive-designate.

The Committee considered the financial implications and legal and procedural issues concerning the recommendation. It was advised that the position of Chief Executive was an established post in the Council's staffing structure and was funded from within the existing staffing budget. The appointment was within the Chief Executive grade of the Council's existing pay structure and would be in accordance with the Pay Policy Statement.

It was further noted that, in accordance with Section 4 of the Local Government and Housing Act, 1989 and the Council's Constitution, the Committee's recommendation for the appointment as Chief Executive/Head of Paid Service, would be considered for approval by the full Council.

The Committee **RECOMMENDED TO THE COUNCIL** that Mr. Paul Shackley be appointed as Chief Executive.

The meeting closed at 5.45 pm.

CLLR A. JACKMAN (CHAIRMAN)

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Rushmoor Borough Council

Licensing and General Purposes Committee

Progress Report

March 2017



Building a better
working world



Ernst & Young LLP Tel: + 44 118 928 1243
Apex Plaza Fax: + 44 118 928 1101
Forbury Road ey.com
Reading
RG1 1YE

Licensing and General Purposes Committee
Rushmoor Borough Council
Council Offices
Farnborough
Hampshire
GU14 7JU

15 March 2017

Dear Committee Members

Audit Progress Report

We are pleased to attach our Audit Progress Report. Its purpose is to provide the Committee with an overview of the progress that we have made with the work that we need to complete during the 2016/17 audit. This report is a key mechanism in ensuring that our audit is aligned with the Committee's service expectations. We will bring a progress report to each Committee except for those where we will bring the Audit Plan or the Audit Results Report.

Our audit is undertaken in accordance with the requirements of the Local Audit and Accountability Act 2014, the National Audit Office's 2015 Code of Audit Practice, the Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA) Ltd, auditing standards and other professional requirements.

We welcome the opportunity to discuss this report with you as well as understand whether there are other matters which you consider may influence our audit.

Yours faithfully

Andrew Brittain
Executive Director
For and behalf of Ernst & Young LLP

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In April 2015 Public Sector Audit Appointments Ltd (PSAA) issued ‘Statement of responsibilities of auditors and audited bodies 2015-16’. It is available from the Chief Executive of each audited body and via the PSAA website (www.psaa.co.uk)

The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The ‘Terms of Appointment from 1 April 2015’ issued by PSAA sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code) and statute, and covers matters of practice and procedure which are of a recurring nature.

This progress update is prepared in the context of the Statement of responsibilities. It is addressed to the Audit and Governance Committee, and is prepared for the sole use of the audited body. We, as appointed auditor, take no responsibility to any third party.

Our Complaints Procedure – If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, you may take the issue up with your usual partner or director contact. If you prefer an alternative route, please contact Steve Varley, our Managing Partner, 1 More London Place, London SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. Should you remain dissatisfied with any aspect of our service, you may of course take matters up with our professional institute. We can provide further information on how you may contact our professional institute.

2016/17 audit

Audit Plan

We presented our 2016/17 updated Audit Plan to the Licensing and General Purposes Committee in January 2017. We will keep the plan under review and will inform you of any changes to our risk assessments and planned work.

Meetings and progress to date

We continue to have regular meetings with key officers as part of our ongoing audit process.

These have proved beneficial as we have confirmed our understanding of the financial processes, discussed a number of areas of the statements and have already selected our samples for substantive testing of income and expenditure transactions for the first 9 months of the financial year and shared these with the Council's finance team.

As at the date of the Licensing and General Purposes Committee we will have been on site for our planning and interim testing for 3 weeks. This is an accelerated programme of testing to ensure that we meet the requirements of the Faster Close arrangements which are due to take effect in 2017/18 and therefore with the Council we have committed to undertaking as much early work as possible in 2016/17. Below is a listing of the early work that we have been able to complete as part of our interim visit:

- walkthrough of all key financial systems;
- opening balances agreement;
- month 9 testing of income and expenditure;
- month 9 payroll substantive analytical review;
- month 9 payroll starters and leavers testing;
- existence testing of property, plant and equipment;

Where we have completed month 9 testing of key accounts such as income and expenditure and payroll we will perform top-up testing of these accounts at year end. This will reduce the time required to complete this work at year end.

To ensure a smooth delivery of the year end we will continue to have regular meetings with key officers as part of our ongoing audit process.

At the timing of writing our interim reviews have not identified any issues we wish to bring to your attention, and we will provide you with a verbal update to the Licensing and General Purposes Committee when we meet on 27 March.

Housing Benefits Update

We have held meetings with the Housing Benefit team and discussed our approach for testing for the certification of the Housing Benefit Subsidy Claim for 2016-17.

We have obtained some local data in relation to the number of local organisations who have breached thresholds and had claw back from their 2015/16 HB subsidy claim as a result of the housing benefit certification work. We will be happy to provide a verbal update to the Licensing and General Purposes Committee when we meet on 27 March.

Licensing and General Purposes Committee

If members of the Licensing and General Purposes Committee have any particular issues they want to discuss with us we would be pleased to discuss these with you.

Timetable

We set out below a timetable showing the key stages of the audit, including the value for money work, and the deliverables we will provide to you through the 2016/17 Licensing and General Purposes Committee cycle.

Audit phase	Timetable	Licensing and General Purposes Committee timetable	Deliverables
High level planning	April 2016	May 2016	Audit Fee Letter
Risk assessment and setting of scopes	December 2016	January 2017	Audit Plan
Testing routine processes and controls	January 2017 and March 2017	March 2017	Progress Report
Year-end audit	August 2017		
Completion of audit	September 2017	September 2017	Report to those charged with governance via the Audit Results Report Audit report (including our opinion on the financial statements; and our value for money conclusion). Audit completion certificate Reporting to the NAO on the Whole of Government Accounts return.
Conclusion of reporting	September 2017	September 2017	Annual Audit Letter

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Ernst & Young LLP, 1 More London Place, London, SE1 2AF.

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Local government audit committee briefing

Contents at a glance

Government and economic news

Accounting, auditing and governance

Key questions for the audit committee

Find out more

This sector briefing is one of the ways that we support you and your organisation in an environment that is constantly changing and evolving.

It covers issues which may have an impact on your organisation, the Local Government sector, and the audits that we undertake.

The briefings are produced by our public sector audit specialists within EY's national Government and Public Sector (GPS) team, using our public sector knowledge, and EY's wider expertise across UK and international business.

The briefings bring together not only technical issues relevant to the Local Government sector but wider matters of potential interest to you and your organisation.

Links to where you can find out more on any of the articles featured can be found at the end of the briefing.

We hope that you find the briefing informative and should this raise any issues that you would like to discuss further please contact your local audit team.



Government and economic news

EY item club winter forecast

In its latest forecast the EY Item Club cautions that, whilst it may look like the economy is taking the referendum in its stride, the impression could be deceptive. A timely reminder that trouble may lie ahead is provided by Sterling's recent performance.

The UK economy is forecast to undergo a gradual dip and recovery over the coming four years, with GDP growth slowing to 1.3% in 2017 and just 1.0% next year, before picking up to 1.4% in 2019 and 1.8% in 2020. The ability of the economy to deliver against this forecast is seen as highly dependent on its foreign trade performance, the expectation is that this will improve this year as consumer spending slows down.

In terms of inflation as measured by the Consumer Prices Index it is expected to rise in excess of 3% by the end of 2017, before falling back towards the Bank of England's 2.0% target in 2018. With the economy slowing down and wage inflation remaining subdued, the forecast is that base interest rates will be held at 0.25% by the Monetary Policy Committee until the spring of 2018.

Looking ahead, the UK's trade performance and output growth in 2019 and beyond will depend critically on the exit terms that can be agreed with the EU27 and other countries. Whilst there is greater clarity about the UK's negotiating position, elections coming up later this year in several European countries mean that the negotiating position of the EU27 will take longer to get a clear picture of. Additionally, the US election result complicates Britain's exit from the EU due to uncertainty over the US economic and foreign policy.

Social Care Precept and New Homes Bonus

The 'Provisional local government finance settlement 2017/18' announced that an additional £900mn would be used to fund the social care system over the next two years. This will be made up of two parts:

- ▶ £240mn transfer from the new homes bonus
- ▶ £652mn from increasing the social care precept (£208mn in 2017/18 and £444mn in 2018/19)

New Homes Bonus

The consultation for the new homes bonus ended and the Government made a number of revisions to the grant. The transfer from the new homes bonus represents a change that ensures that councils will only receive funding for housing built above the national housing growth baseline of 0.4%. There will also be a movement to five year payments from 2017/18 and four year payments from 2018/19.

There are no proposals to withhold grants for those authorities without a local plan in 2017/18 but this will be revisited for 2018/19. The bonus will continue to be unringfenced as in previous years.

Social Care Precept

Councils will have the flexibility to increase the dedicated social care precept by up to 3% in 2017/18 and 2018/19 (this was previously capped at 2% for each of the three years 2017/18 to 2019/20). If this is chosen it will be equivalent to an increase of £1 a month on an average Band D Council Tax bill. However the social care precept would need to remain at 6% over the next three years, therefore if the increased 3% was taken in 2017/18 and 2018/19 it could not be increased again in the following year.



Government and economic news

Within the 'Provisional local government finance settlement 2017/18' It has been highlighted that increased funding is not the only way to improve social care but better integration of the health service and local government is needed. In Oxfordshire this has led to a 40% fall in delayed discharges in 6 months and in Northumberland increased work between the council and the health service has led to a 12% reduction in demand on residential care.

Local Government Funding Settlement

The four year funding settlement has been agreed to by 97% of councils. This will mean councils will have £7.6bn in total dedicated social care funding over the four years up to 2019/20. In return they will have to publish efficiency plans online.

It is expected that top-tier authorities are likely to benefit most from the settlement as they have high-demand critical services and will therefore receive more funding. However district councils will see a greater squeeze on their budgets due to the reduction in the new homes bonus.

This comes as a step towards devolution. The introduction of fully retained business rates will also bring about more power for councils to serve their local communities. However this does open councils up to more risk. For this to be beneficial the economy will need to grow and more houses will need to be built. Councils therefore need to think about how they will ensure that this does not leave them in a worse position than through central government funding.

Funding for new care model vanguards

In order to support and spread the work of new care model vanguard projects, NHS England has announced over £100mn of funding being made available. NHS England sees that the existing vanguards, partnerships of NHS, local government, voluntary, community and other organisations are improving the healthcare people receive, preventing ill health, and saving funds.

They are seen as key to the delivery of Sustainability and Transformation Plans (STPs) which are being developed across the country and, in addition to funding, the vanguards receive support to implement their plans from both NHS England and other national bodies. This includes how they harness new technology including apps and shared computer systems, and to develop their workforce so that it is focused around patients and their local populations. Vanguards are required to meet a number of conditions to obtain funding, including:

- ▶ Demonstrating clear improvements in quality and costs/savings
- ▶ Spreading their new care models, both within their STP and sharing with others (including producing guidance and materials for others to use)

The announcement highlights examples of areas the latest funding will be used on, and examples of work done to date. These include:

- ▶ **Fylde Coast Local Health Economy vanguard** – a new 'extensive care service' bringing together different health professionals offering targeted support for older patients with multiple conditions, this has contributed to significant reductions in areas such as non-elective admissions (25%) and A&E attendances (13%)
- ▶ **Mid Nottinghamshire Better Together vanguard** – joined-up community teams are working with patients and their families/carers, providing physical, mental and social care support to ensure people are wherever possible cared for at home. The vanguard has reported reductions in long term admissions to care homes and acute bed days, together with significant year-on-year reductions in avoidable patient attendances (20.5% for patients aged 80 years and above compared to 2015/16)



Government and economic news

- ▶ **East and North Hertfordshire Clinical Commissioning Group vanguard** – employing pharmacists to work with GPs, care home staff and other healthcare professionals to provide detailed medicine reviews for residents. Working with the care homes, the vanguard has already reviewed over 900 patients and the use of 8,000 medicines. Of these over 1,000 medicines have been stopped, including nearly 200 which could have increased the risk of falls. The estimated direct cost savings are in excess of £160,000

Financial Sustainability of Schools

The Department of Education has predicted that mainstream schools will have to find savings of £3bn (8%) by 2019/20. This is expected to come from efficiencies from the following:

- ▶ £1.3bn from better procurement
- ▶ £1.7mn from using staff more efficiently

The Government has proposed to increase the schools budget over the next four years, and by 2019/20 the increase will be 7.7% compared to the 2015/16 level. However the increase in pupil number is expected to be 3.9% in the same period, once inflation is taken into account; this is a real time reduction in funding per pupil.

The Department continues to publish advice on financial management and efficiency savings.

The proportion of secondary schools overspending rose from 34% in 2010/11 to 59% in 2014/15. For academies this rose from 39% to 61%. The reasons for this are unclear, and the sustainability of this spending is unknown.

Highway Network Assets

The depreciated replacement cost accounting for Highway Network Assets is expected to come into effect from 1 April 2017, but is subject to confirmation from CIPFA. EY has run a number of workshops for clients and there are a range of levels of confidence over the accounting treatment for the asset. It can however be seen that the levels of confidence have increased from this time last year.

The key question for councils to consider will be how can we demonstrate that their Highways Asset Management System is complete and that all assets exist.

By following the DREAM approach set out below we believe the task will run smoother.

Document highways systems: Almost all highways and engineering IT inventory information has not been subject to audit and lack detailed procedure manuals/notes. Full documentation of the key core data systems should be completed as one of the initial tasks that an authority carries out.

Reports and reconciliations: Assess the information requirements of the task and whether the existing systems can produce the required reports and reconciliations or will new reports and reconciliations be needed? Identify any corrective action required.

Evidential based: The quality of the inventory is key to the change. So as well as documentation of inventory systems, establish how you will evidentially prove that the inventory is complete and the named assets exist. This includes key asset dimensions. However, before engaging expensive external contractors to do this consider all the processes that you currently have in place that actually do this ranging from routine cyclical inspections to independent system reviews. Use this to identify areas where 'top-up' work is required.



Government and economic news

Audit: Early and regular engagement with both internal audit (IA) and external audit (EA) is a key determinant of successful implementation. IA can assist in establishing documentation procedures and can carry out system audits of those systems. Sharing your proposals with EA in advance will reduce the risk of abortive work. Decisions on what work you actually do are a matter for the authority, but the EA will provide comments on proposed approaches.

Materiality: This is a key concept both to the authority as the accounts are stated to include all material items and EA who audit to a calculated materiality level. Materiality has both quantitative and qualitative aspects. In simple terms the quantitative identifies the level at which consideration needs to be given to whether omission of an item or inclusion of an error requires correction. The qualitative level is where a professional judgement is made as to whether correction of that item would influence decisions of the users of the accounts.

As the Highway Network Asset is to be classed as a single asset the materiality is based upon the total value and not the constituent parts. Due to the importance of this amount discussions around the level at which the authority is considering setting it at should take place with your external audit team at an early stage to ensure that this will not lead to problems in the audit process.

For further information please consult with your audit team

Sustainability and Transformation Plans

Sustainability and Transformation Plans (STP) have now been produced and are designed to articulate how individual organisations will play their part in delivering their locally agreed STP objectives, including sustainable financial balance across the health economy.

From April 2017, access to NHS transformation funding will be linked to effecting delivery of the STP. These include meeting control totals to reduce deficits and meeting certain performance requirements. STPs represent a shift in focus from the role of competition within the health system to one of collaboration – referred to as ‘place-based planning’. NHS organisations are telling us that the changing needs of their populations are best met through integrated models of care, with the delivery of care being best met by different areas of the NHS working in a co-ordinated way. The King’s Fund has argued that a place based approach to planning and delivering health and social care services is the right approach – and that this should also include collaborating with other services and sectors outside the NHS – with the aim of improving the health and wellbeing of local populations.

Development and delivery of STPs is a complex task, with large footprints, involving many different organisations, in an already stretched environment in terms of finances and capacity. There are further challenges with the need to address weaknesses in NHS incentives to work together and to avoid organisations focussing on individual goals rather than the effective implementation of STP objectives – for example, NHS Trusts are closely monitored on their own performance targets.

The Plans have been delivered in a relatively short timeframe and propose major changes to services. With the growing financial challenges in the system, the Plans are required to show how they will bring the NHS back into financial balance. Given the short timeframes, the submitted Plans will need further development and engagement before they can be effectively implemented.



Government and economic news

All parties to the STP will need to collaborate to ensure the plans take full account of the pressures faced by the individual parties. Whilst the process provides opportunities for areas with challenging finances to identify solutions, there will be difficult decisions to be made about the range, type and location of services that are delivered. Per the NHS Confederation, the important element of prevention requires a strong role from public health as well as wider Council services such as housing, leisure and recreation, planning and children's services.

The leadership of the STP is critical to the success of the plan. The role of the STP leaders needs to be clarified with many leads finding it difficult to manage their original responsibilities alongside their leadership role. There are plans for some leaders to share leading more formally in the future. However where there are a large number of organisations involved this may be more difficult to do.

Priorities for social care in 2017

The Kings Fund has set out what it believes the five priorities should be for social care in the current year as follows:

- ▶ **Supporting new care models centred on the needs of patients** – Giving greater priority to public health and prevention, through partnerships between local government, the NHS, and other organisations, focused on both supporting people to remain in good health for as long as possible and engaging the public in tackling the causes of ill health. Additionally, they emphasise the need for continued support for vanguards both in delivering in their areas and spreading that good practice across the system
- ▶ **Strengthening and implementing sustainability and transformation plans** – The Kings Fund suggests that, to ensure that the service changes and the financial plans that underpin them are credible, all STPs need to be stress

tested. It also highlights that STPs have 'no basis in statute' and suggests that their governance is formalised to align their work with the responsibilities of the boards running NHS organisations

- ▶ **Improving productivity and delivering better value** – With the need for increasing productivity becoming more urgent as funding decreases and deficits amongst NHS providers increases, the fund suggests that the priority for every NHS organisation should be to support clinical teams to reduce unwarranted variations in care and to improve care. It sees the boards of NHS organisations as having a key role in leading this work, ensuring that developing the cultures in which improvement is supported and valued and making resources available to support implementation
- ▶ **Developing and strengthening leadership at all levels** – It is clear that clinical leaders have a crucial role, working with operational managers, to deliver high-quality care. This is where many of the productivity opportunities arising from changes in clinical practice can be realised. They argue that this requires leaders who are (in their words) 'comfortable with chaos' because they can work within fluid and often rapidly changing organisational arrangements and that the NHS can learn from local government
- ▶ **Securing adequate funding for health and social care** – They refer to the need for a debate about a new settlement for health and social care, building on the work of the Barker Commission, and going further than short-term interventions that have sought to shore up the system. They argue that an equitable and sustainable system would be one in which public funding is increased (paid for by increases in taxes and National Insurance and changes to some existing benefits), and a closer alignment between entitlements to social care and health care



Accounting, auditing and governance

PSAA Audit Services Procurement Strategy for the appointment of local auditors

The PSAA is entering into contracts with audit firms to make auditor appointments by 31 December 2017. There are a total of 493 eligible authorities who have been invited to opt in. These include local authorities, combined authorities, police and crime commissioners, chief constables, fire and rescue authorities, waste authorities, passenger transport executives and national park authorities.

The timetable for the appointment is as follows:

Key milestone	Target date
Issue OJEU Contract Notice and Selection Questionnaire (SQ) available on request	16 February 2017
Deadline for eligible bodies to notify PSAA of their decision to opt-into the scheme for audits of 2018/19 accounts	9 March 2017
Deadline of submission of SQs	21 March 2017
Issue ITT to short-listed suppliers	6 April 2017
Deadline for submission of tenders	10 May 2017
PSAA board approves contract award	30 June 2017

The contract will be awarded for five years to suppliers but PSAA may extend this contract by two years. It is expected that opting-in will achieve lower audit fees than those authorities that choose to negotiate alone. Fees are expected to be published in March 2018.

Report on the results of auditors work LG bodies 2015/16

In December 2016 PSAA published its first report on the results of auditors' work across 497 principal local government bodies, including 357 councils, 31 fire and rescue authorities, 76 police bodies and 33 other local government bodies, and 9,756 small bodies, with a turnover of less than £6.5mn, including 9637 parish councils. The results within the report cover audit work on the financial statements, the WGA return, arrangements to secure value for money and any exercise of the auditor's statutory reporting powers.

The timeliness and quality is broadly consistent with prior year, however the number of early unqualified opinions (issued by 31 July 2016) doubled compared to those issued in respect of 2014/15.

96% of auditors issued an opinion on the accounts by 30 September 2016 and for the third year in a row there were no qualified opinions on principal bodies. The proportion of qualifications on value for money arrangements increased from 4% to 6%.

With faster close in place from the 2017/18 financial year, there is a need for efficiencies from both local government bodies and their auditors in order to maintain the level of performance shown in this report. EY have produced an article on 'Accelerating your financial close arrangements', this can be found by following this link [http://www.ey.com/Publication/vwLUAssets/EY_-_Accelerating_your_financial_close_arrangements/\\$FILE/EY-accelerating-your-financial-close-arrangements.pdf](http://www.ey.com/Publication/vwLUAssets/EY_-_Accelerating_your_financial_close_arrangements/$FILE/EY-accelerating-your-financial-close-arrangements.pdf). The report provides suggestions such as reviewing the format of the accounts, reviewing the approach to estimates and managing members' expectations, amongst others.



Key questions for the audit committee

What questions should the Audit Committee be asking itself?

Has the Authority made a decision on whether or not to opt into the PSAA sector-led arrangements for the local appointment of auditors from 2018-19? Has the authority decided whether they will use the revised flexibility on the social care precept for 2017/18 and 2018/19?

How confident is the authority about its preparation for the introduction of Highway Network Assets? Have there been discussions with the external audit team on the key issues and plans for implementation?

Has the authority engaged positively with health and other partners in the development of Sustainability and Transformation Plans?

Has the Authority put plans in place to meet the faster close requirements for 2017/18?



Find out more

EY Item Club winter forecast

<http://www.ey.com/uk/en/issues/business-environment/financial-markets-and-economy/item---forecast-headlines-and-projections>

Social Care, Precept and New Homes Bonus

http://www.publicfinance.co.uk/news/2016/12/council-tax-precept-and-new-homes-bonus-deployed-stem-social-care-crisis?utm_source=Adestra&utm_medium=email&utm_term

<https://www.gov.uk/government/news/dedicated-adult-social-care-funding-forms-key-part-of-continued-long-term-funding-certainty-for-councils>

<https://www.gov.uk/government/consultations/new-homes-bonus-sharpening-the-incentive-technical-consultation>

Four year funding settlement

<http://www.publicfinance.co.uk/news/2015/12/local-government-settlement-offers-councils-four-year-funding-deals>

Funding for new care model vanguards

<https://www.england.nhs.uk/2016/12/vanguard-funding/>

Financial Sustainability of Schools

<https://www.nao.org.uk/report/financial-sustainability-in-schools/>

Sustainability and Transformation Fund

<https://www.kingsfund.org.uk/blog/2016/11/will-stps-deliver-changes-we-wish-see-our-health-and-care-services>

<https://www.england.nhs.uk/wp-content/uploads/2016/02/stp-footprints-march-2016.pdf>

<https://www.kingsfund.org.uk/projects/sustainability-and-transformation-plans>

Priorities for social care in 2017

<https://www.kingsfund.org.uk/publications/priorities-nhs-social-care-2017>

PSAA Audit Services Procurement Strategy for the appointment of local auditors

<http://www.psaa.co.uk/supporting-the-transition/appointing-person/procurement-strategy/>

Report on the results of auditors work LG bodies 2015/16

<http://www.psaa.co.uk/appointing-auditors/terms-of-appointment/reports-on-the-results-of-auditors-work/>

[http://www.ey.com/Publication/vwLUAssets/EY_-_Accelerating_your_financial_close_arrangements/\\$FILE/EY-accelerating-your-financial-close-arrangements.pdf](http://www.ey.com/Publication/vwLUAssets/EY_-_Accelerating_your_financial_close_arrangements/$FILE/EY-accelerating-your-financial-close-arrangements.pdf)

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EY-000021170.indd (UK) 02/17. Artwork by CSG London.

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LICENSING & GENERAL PUPOSES COMMITTEE
27TH MARCH 2017

AUDIT MANAGER
REPORT NO. AUD1702

INTERNAL AUDIT – AUDIT PLAN

Overview:

This report is to set out the annual plan for 2017/18 and detail the work carried out in order to develop the plan in a different way to previous years.

Action required:

Members are required to:

- Agree to the new methodology for selecting audit areas and the rolling programme to commence in 2017/18.
- Agree to the new monitoring arrangements for the audit plan.

1 Introduction

- 1.1 The audit plan is produced annually in order to set out the work that will be covered within the financial year by the internal audit team. The plan needs to ensure that overall assurance of the internal control environment for the Council is covered.
- 1.2 The plan has been developed in the same way for the last 7 years and is no longer fit for purpose. Therefore, with the Systems Thinking team, we have looked to develop a more efficient process, which is more appropriate for meeting the needs of the current environment and utilise resources more effectively.

2 Purpose of Internal Audit

- 2.1 Internal Auditing, as defined by the Public Sector Internal Audit Standards 2013:

‘An independent, objective assurance and consultancy activity designed to add value and improve an organisations operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.’

- 2.2 Internal Audit help the Directors Management Board demonstrate that they are managing the organisation effectively on behalf of the stakeholders.

Furthermore, ensuring that the Council conforms to the Accounts and Audit (England) Regulations 2015:

‘5.—(1) A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.’

- 2.3 Internal audit carry out their activities in order to conform to the Standards and Regulation detailed above. Furthermore, work is carried out with the consideration of the external auditors to ensure that they can appropriately comment on the Council’s overall control environment.
- 2.4 As above the purpose of internal audit is to satisfy the organisation that risks are being adequately controlled and managers are being provided with the necessary information and support to enable them to control these risks.

3 Current method for developing and communicating the audit plan

Risk Universe and Criteria

- 3.1 The ‘risk universe’ comprises of all potential areas that could be audited within the Council. The potential auditable areas were last updated in 2014.
- 3.2 The risk universe serves as a basis for developing the risk based audit plan. Each auditable area is rated against risk criteria, to give an overall risk score.
- 3.3 The risk criteria were developed in March 2006 and have not been updated since. They cover the following areas:
- Financial Materiality
 - Business Risk
 - Previous audit experience
 - Fraud and corruption

Developing the Audit Plan

- 3.4 The annual plan is set in March, for the year, detailing when the audits will commence. However, this is prone to changes throughout the year due to a number of factors, including:
- Unplanned work/ investigations
 - Ad hoc audits taking longer than estimated (This is more prone in new areas not audited before).
 - Concerns being raised by Members or officers

- 3.5 Much of the focus when setting the audit plan is on resources available rather than for the needs of the organisation or the purpose of the Internal Audit activity.

Communication and monitoring of the plan

- 3.6 Changes made to the plan throughout the year are not specifically reported to DMB. There is no annual reflection of the work carried out in the year against the work originally planned and why changes were necessary.

4 Why do it differently

- 4.1 Due to changes within Internal Audit a review of work was required to ensure that resources were being used in the most efficient and effective way. As a result, it seems an opportune time to review the way in which we develop the audit plan and go back to the purpose of Internal Audit

- 4.2 Since the change of the External auditors to Ernst & Young they have changed the way in which external audits are carried out from previous methods used by the Audit Commission. As a result they now place little reliance on the work of Internal Audit,

'As we are taking a fully substantive approach to the audit we will not be relying directly on the work of Internal Audit' (Ernst & Young Audit Plan January 2017).

- 4.3 The risk criteria used to form the basis of the risk based audit plan are also no longer fit for purpose as they do not consider all relevant areas that will affect what is considered for inclusion in the audit plan.
- 4.4 Furthermore, working differently will enable us to further comply with the updated standards (Public Sector Internal Audit Standards).

5 The new way for developing and communicating the audit plan

Risk Universe and Criteria

- 5.1 The risk universe has been updated to show auditable areas as at January 2017. This will be reviewed as appropriate.
- 5.2 The risk criteria have been reviewed to ensure that they capture all relevant areas to be considered in determining the level of risk exposure within an auditable area.
- 5.3 The risk criteria now include the following areas:

- **Corporate priority**
 This looks at the Council's corporate plan and assesses to what level the auditable area contributes to the corporate plan. This is included so that areas of high corporate priority are considered more highly than areas of low corporate importance, which are not deemed to risk the Council achieving its overall objectives.
- **Impact on reputation**
 This looks at the potential impact on the Council's reputation if a risk within the auditable area was to transpire. This is included so that areas of high reputational impact are considered more highly for a review to ensure that the reputation of the Council is maintained.
- **Assurance from others**
 This considers whether another body either externally (e.g. external audit) or internally (e.g. systems thinking) have reviewed the area. This is included so that if assurance can be provided by others then Internal Audit would not need to also review the same area.
- **Concerns raised**
 This looks at any concerns raised by Managers or employees, any previous frauds identified and any previous poor controls identified by Internal Audit. This is included as if concerns are raised then this could highlight control weaknesses impacting on the Council in various ways.
- **Laws or Regulations**
 This looks at if the auditable area is enshrined by Laws or regulations or not. A requirement for high levels of compliance with Laws and Regulations will result in a higher risk to the Council if these are not adhered to.
- **Financial transactions total**
 This looks at the financial value of transactions in the auditable area, as the higher the value of the transactions the more risk of financial loss to the Council. This also looks at the number of transactions, as a small financial value but high frequency of transactions opens the auditable area up to a bigger risk of fraud and error.
- **Vulnerability**
 This looks at whether the area is completely new to the Council or not or if it's a constantly evolving area e.g. IT. New and evolving areas will present a higher vulnerability than an area that has not changed.

Developing the Audit Plan

- 5.4 The first 6 months of work will be established based on the auditable areas, which present the highest risk to the Council. This will be agreed with the Board and Licencing & General Purpose Committee. The work for the following quarters will be established at subsequent Board and Committee meetings, as laid out in 5.7 table 1 below. This will allow Internal Audit to react more effectively to the needs of the Council when required throughout the year.
- 5.5 Based on the previous auditing history and low level of concern, we have considered the frequency of auditing the key financial systems. It is proposed that we carry this out on a three-year cycle rather than a two-year cycle, unless a concern is raised.
- 5.6 The cycle options for key financial systems have been discussed with External Audit who expressed no concerns as long as, if any concerns were raised then these could be reviewed sooner.

Communication and monitoring of the plan

5.7 Table 1

DATE	MEETING	DETAILS
14 th March 2017	DMB	<ul style="list-style-type: none"> Set the work for quarter 1 & quarter 2 (subject to change if required for the needs of the organisation.)
27 th March 2017	L&GP Committee	
9 th May 2017	DMB	<ul style="list-style-type: none"> Present the audit opinion for 2016/17. Give an overview of the work completed in 2016/17. Present the self-assessment of Internal Audit's conformance with the Public Sector Internal Auditing Standards and the quality improvement program for the year.
25 th May 2017	L&GP Committee	
13 th June 2017	DMB	<ul style="list-style-type: none"> Report on the work carried out to date for quarter 1. Report any changes required for the rest of quarter 1 or quarter 2 and the reason for these changes. Set the work for quarter 3.
26 th June 2017	L&GP Committee	
12 th September 2017	DMB	<ul style="list-style-type: none"> Report on the work carried out to date for outstanding work in quarter 1, and quarter 2. Report any changes required for the rest of quarter 2 or for quarter 3 and the reason for these changes. Set the work for quarter 4.
25 th September 2017	L&GP Committee	

16 th January 2018	DMB	<ul style="list-style-type: none"> • Report on the work carried out to date for quarter 3, and outstanding work for quarter 4. • Report any changes required for the rest of quarter 4 or for quarter 3 and the reason for these changes.
29 th January 2018	L&GP Committee	

5.8 A rolling program means that the plan can be set for each quarter allowing for greater flexibility of the plan to meet the changing environments faced by the Council.

6 2017/18 audit plan

6.1 Changes are currently being made to the Internal Audit team, which may affect resources available. However, these changes have not yet been finalised.

6.2 The first 6 months work, as set out in Appendix A, has been selected from the high risk areas detailed in Appendix B. The list of audits is subject to change, as discussed within the report, due to the changing needs of the organisation or resource availability. An update will be provided at the June meeting.

Nikki Hughes
Auditor

Contact Details: 01252 398810
nikki.hughes@rushmoor.gov.uk

References:

- *Public Sector Internal Audit Standards (2013)*
<http://www.cipfa.org/policy-and-guidance/standards/public-sector-internal-audit-standards>
- *Ernst & Young, External Auditors, Audit plan – presented to L&GP Committee 30th January 2017*
<http://www.rushmoor.gov.uk/CHttpHandler.ashx?id=17307&p=0>

Table of Audits expected deliverables for Q1 & Q2

IT & Facilities	External tenants follow up
Finance	Capital Projects follow up
Community	Aldershot/Farnborough Markets follow up
Legal	Purchase and Sale of property and land
Finance	Capital programme and accounting – Activation Aldershot
Legal	Contract letting and tendering
Legal	Transparency code
IT & Facilities	Cyber security

RISK UNIVERSE SCORING - JANUARY 2017

	Department	AUDIT AREA	Total risk score	Financial year last audited	Notes
1	Legal	Purchase and Sale of property and land	31	Not audited	Include in 2017/18 plan.
2	Finance	Capital programme and accounting	29	2016/17	Depot was highlighted as a potential capital project to look at - Include in 2017/18 plan. NB: Capital programme is reviewed annually due to high financial spend. Different projects are selected annually.
3	Legal	Contract letting and tendering (Procurement)	28	2012/13	Include in 2017/18 plan.
4	Legal	Transparency code	26	2014/15	Include in 2017/18 plan.
5	IT & Facilities	Cyber security	26	Not audited	Include in 2017/18 plan.
6	DMB	HMRC requirements	25	2015/16	Include in 2017/18 plan. More of a small review following on from the follow up carried out in 16/17.
7	DMB	Taxation and returns	24	2015/16	Carry out in conjunction with item 6 above - Include in 2017/18 plan.

8	Key Financial System - Finance	Benefits overpayments	24	2016/17	This was reviewed in 2017/18 as part of the Benefits audit. The area is currently undergoing improvement so will be revisited as part of the key financial system schedule in 2018/19.
9	Key Financial System - Finance	NNDR billing and collection	24	2015/16	Include in 2017/18 plan as per schedule for key financial systems.
10	Planning	Planning enforcement	24	2015/16	This was recently audited and further work in this area is being taken forward by the Corporate Investigations Officers.
11	Key Financial System - Finance	Sundry debtor recovery	24	2015/16	Include in 2018/19 plan as per schedule for key financial systems.
12	Planning	Planning applications	23	2005/06	Include in 2017/18 plan.
13	Key Financial System - Finance	Council tax billing and collection	23	2016/17	Include in 2019/20 plan as per schedule for key financial systems.
14	Community	Weekly refuse and recycling collection contract	23	Not audited	Include in 2017/18 plan.
15	Key Financial System - Finance	Council tax recovery	23	2016/17	Include in 2018/19 plan as per schedule for key financial systems.
16	Key Financial System - Finance	NNDR recovery	23	2016/17	Include in 2018/19 plan as per schedule for key financial systems.

17	Community	Aldershot and Farnborough Markets	23	2015/16	A follow up and work in this area is still ongoing from 2016/17 audit review, so this will be included within the 2017/18 plan as a follow up.
18	Community	Car boot sales	23	2015/16	A follow up will be carried out in 2017/18 plan in conjunction with item 17 above.
19	Finance	Financial Borrowing	23	Not audited	Include in 2017/18 plan.
20	Community	Digital advertising boards	22	Not audited	Depends on resources available
21	Democratic & CSU	Constitution	22	Not audited	Depends on resources available
22	Key Financial System - DMB	Payroll/ Pay	22	2015/16	Include in 2017/18 plan as per schedule for key financial systems.
23	Planning	SANGS	22	Not audited	Include in 2017/18 plan.
24	Planning	S106 agreements	21	2010/11	Depends on resources available
25	DMB	External funding applications	21	Not audited	Depends on resources available
26	Community	Grants to organisations	21	2015/16	This area was audited in 2015/16 and a follow up carried out in 2016/17.
27	Environmental Health & Housing	CCTV	21	2013/14	Depends on resources available

28	IT & Facilities	PCI compliance	21	2008/09	Depends on resources available
29	Key Financial System - Finance	Treasury Management	21	2016/17	Include in 2019/20 plan as per schedule for key financial systems.
30	Key Financial System - Finance	Council tax reliefs, reductions and exemptions	21	2016/17	Include in 2019/20 plan as per schedule for key financial systems.
31	Key Financial System - Finance	NNDR hardship, reliefs and exemptions	21	2015/16	Include in 2017/18 plan as per schedule for key financial systems.
32	Environmental Health & Housing	Disabled facility grants	21	2011/12	Depends on resources available
33	IT & Facilities	External tenants	21	2016/17	This area was audited in 2016/17. A follow up will be scheduled in 2017/18 plan.
34	Democratic & CSU	Corporate policy/ strategic objectives/ corporate planning	21	Not audited	Depends on resources available
35	Democratic & CSU	Strategic partnerships	21	Not audited	Depends on resources available
36	Community	Car park machine income off street parking	21	2016/17	This area was audited in 2016/17 and a follow up will be scheduled in 2017/18 plan.

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LICENSING AND GENERAL PURPOSES
COMMITTEE
27 MARCH 2017

ENVIRONMENTAL HEALTH & HOUSING
REPORT NO. EHH1707

CABINET
4 APRIL 2017

DRAFT FOOD AND HEALTH & SAFETY SERVICE PLAN 2017/18

INTRODUCTION

- The Council is obliged to produce an annual Food Safety Service Plan, and a Health and Safety Service Plan, following guidance issued by the Food Standards Agency and the Health and Safety Executive respectively. This paper seeks comments on the draft, combined plan for 2017/18. *Copies of the draft plan are available in the Members Resource Room or from Colin Alborough (contact details below).*
- Comments on the draft plan from the Licensing and General Purposes Committee on the 27 March will be reported to Cabinet on 4 April and then, subject to Cabinet endorsement, local business and business organisations will be consulted. Any substantial changes will be considered by the Head of Service in consultation with the Cabinet Portfolio Holder.

BACKGROUND

- The draft plan has been prepared recognising the continuing Government review of regulatory services to reduce red tape, to support businesses in the current economic climate, and deliver risk based interventions.
- The Service continues to engage in the Council's 8 Point Plan for financial sustainability. The Service has developed a business consultancy service serving both purpose and income generation by, for example, providing businesses support initiatives and training for both businesses and other local authority officers. In addition, by reviewing the Service on an annual basis through service planning, the opportunity arises for officers and members to check the Service remains fit for purpose. Officers are also engaged in a variety of corporate projects to support the Council's Organisational Development work.
- This draft plan has a strong link to the Council Plan and the stated purpose of "working with others to improve the quality of people's lives". The Council Plan identifies four underpinning priorities to which the Service contributes, by:
 - **Cleaner, greener and more cultural Rushmoor** - providing services to make Rushmoor the place where our communities want to live and work by securing high standards of hygiene, and health and safety in local businesses, investigating service requests and promoting healthy lifestyles
 - **Sustaining a thriving economy and boosting local business** – appropriate and timely business support and interventions to the benefit of employers and employees

- ***Supporting and empowering our communities and meeting local needs – delivery of evidence based programmes that meet the needs of the Borough***
- ***Financially sound with services fit for the future*** - developing our business support cost recovery models, by ensuring our services remain fit for purpose and by targeting our resources where they will provide the most benefit

HEALTH & SAFETY SERVICE PLANNING

- **In reviewing the Health and Safety Service in 2016/17, the Plan notes the delivery of:**
 - the planned interventions due in the year to higher risk premises with ongoing high levels of customer satisfaction
 - our role in supporting the partners involved in the arrangements for the successful Farnborough Airshow 2016, including leading the Safety Advisory Group for the event
 - our licensing, registration and enforcement responsibilities in respect of special treatments (tattooing, piercing, etc.)
 - a new Primary Authority Partnership with Univilla Ltd, trading as Consol, a national sunbed operator, on a cost recovery basis to support business controls in relation to health and safety and age of sales
 - in respect of our Corporate Health and Safety Adviser role, our support programme of ongoing audits, and an e-learning training system to support staff
- **Looking ahead, the key Health and Safety Service priorities for 2017/18 include:**
 - a further focus of our activity on better health and safety outcomes using systems thinking methodology, whilst continuing to reduce the proactive inspection burden on businesses
 - in accordance with the “National Code” (which directs local authority activity), to continue to use national priorities together with local knowledge to direct our resources to best improve standards of occupational safety and health
 - to continue to provide timely and appropriate risk based responses to customer requests, statutory notifications and so on, particularly in the current climate where businesses find regulators a trusted source of information to assist their compliance and aid growth
 - to continue to influence the delivery of Government reforms of health and safety at a national and local level (with the Service Manager serving local authorities nationally as Co-Chair of HELA, together with the Head of Operational Strategy with the HSE)

FOOD SAFETY SERVICE PLANNING

- **In reviewing the Food Safety Service in 2016/17, the Plan notes the delivery of:**
 - 100% of the programmed food inspections for the year with continuing high levels of customer satisfaction
 - support for the national Food Hygiene Ratings Scheme (FHRS) which provides up to date information to residents on the hygiene of food businesses, and assists in driving up standards
 - the development of our Primary Authority Partnership with the British Army, offering the opportunity to work more closely to better support the Army and the wider Tri-Services, in partnership, placing our relationship on a firm, regulatory footing
 - continuing to support commercial activities, such as training in food safety for food handlers, a scheme to charge for re-rating of businesses under FHRS, and implementation of a cost-recovery model for those businesses requesting additional support
- **Looking ahead, the key Food Safety Service priorities for 2017/18 include:**
 - supporting businesses and providing timely, appropriate, risk based interventions in the current climate
 - taking further appropriate enforcement actions across the Food/Health and Safety Service in line with the enforcement policy to drive up standards and support justice, whilst ensuring appropriate action to protect and promote public health
 - continuing to support and promote the national Food Hygiene Rating Scheme to continue to incentivise better hygiene, and inform our residents and visitors
 - developing the earned recognition model for compliant businesses within our intervention programme in accordance with the Food Standards Agency “Framework Agreement” effectively providing light touch interventions for businesses with a good track record, and focusing on high risk premises and poor performers identified through sound risk assessment
 - continuing to deliver our regulatory role, and our support to residents in relation to Private Water Supplies
 - our role in supporting our partners involved in the planning of the Farnborough Airshow 2018, from the design of food safety regulations for this unique event, to the delivery of on-site interventions on a cost recovery basis

RECOMMENDATION

- The Committee is requested to comment on the draft combined Food/Health and Safety Service Plan for 2017/18 (with these comments to be verbally reported to Cabinet).
- The Cabinet is requested to endorse the draft combined Food/Health and Safety Service Plan for 2017/18 for consultation with local businesses and business organisations, with any substantial changes being considered by the Head of Service in consultation with the Cabinet Portfolio Holder.

QAMER YASIN

HEAD OF ENVIRONMENTAL HEALTH AND HOUSING

Contact: Colin Alborough, Environmental Health Manager
(01252 398169) email: colin.alborough@rushmoor.gov.uk

LICENSING AND GENERAL
PURPOSES COMMITTEE
27TH MARCH 2017

CHIEF EXECUTIVE'S OFFICE
HEAD OF DEMOCRATIC AND
CUSTOMER SERVICES
REPORT NO. DCS1701

RUSHMOOR COMMUNITY AWARD 2017 – NOMINATIONS

Over the last few months the Rushmoor Community Award scheme has been advertised within the Borough and also with Members and nominations have been invited for the 2017 Award.

The Committee is asked to discuss the nominations submitted and to consider whether to make a Community Award in 2017.

1. INTRODUCTION

- 1.1 The Committee will recall that the Community Award Scheme recognises outstanding achievements of residents of the Borough. Last year, the Award was made to two people: Mr. Lewis Trinder and Mr. Kevin Matthew. The purpose of this Report is to provide details of the nominations submitted to enable Members to decide whether an award should be made this year.

2. PURPOSE AND CRITERIA

- 2.1 The Community Award is open to all local people who have made an outstanding contribution to the Borough. However, it has been agreed that service to the Council is not a reason for being presented with the award. In addition, service in a professional capacity shall not normally be considered.

- 2.2 Guidelines or measures have been established in order to assist the assessment of nominations, as follows:

- **Outstanding service to the community**
 - Over what period of years
 - Number of people served
 - Amount of time spent in service work
 - Response from those served
 - Special skills needed

- **Outstanding service to an individual or individuals**

- Type of work undertaken
- Over what period of years
- Amount of time spent in service work
- Special skills needed

- **Outstanding service to the voluntary sector**

- Those organisations supported
- Nature of the support given
- Over what period of years
- Amount of time spent in service work

2.3 Appended to this Report is a schedule setting out the five nominations that have been submitted and the key reasons for them.

2.4 As the appendix contains personal information, in accordance with the Data Protection Act, it is only being made available to members of the Committee.

3. **ARRANGEMENTS FOR MAKING THE AWARD**

3.1 It is important that, in order to ensure that the award has integrity, the nominations made and the Committee's discussions are kept confidential.

3.2 The award will be an engraved piece of glassware referring to the "Rushmoor Community Award" and will be presented by the Mayor at the Council Meeting on 22nd June 2017.

4. **CONCLUSIONS**

4.1 The costs of the scheme are low and it provides an opportunity for the Council to recognise formally the achievement of local people committed to serving the community through publicity and a lasting memento.

ANDREW COLVER
HEAD OF DEMOCRATIC AND CUSTOMER SERVICES

Contacts: Andrew Colver (01252 398820)
Kathy Flatt (01252 398829)