

Public Document Pack



RUSHMOOR BOROUGH COUNCIL

LICENSING AND GENERAL PURPOSES COMMITTEE

*at the Council Offices, Farnborough on
Thursday, 25th May, 2017 at 7.00 pm*

To:

Cllr A. Jackman (Chairman Designate)
Cllr J.E. Woolley (Vice-Chairman Designate)

Cllr Sue Carter
Cllr Sophia Choudhary
Cllr Liz Corps
Cllr Jennifer Evans
Cllr B. Jones
Cllr S.J. Masterson
Cllr M.D. Smith
Cllr L.A. Taylor
Cllr Jacqui Vosper

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 - 4)**

To confirm the Minutes of the Meeting held on 27th March, 2016 (copy attached).

2. **INTERNAL AUDIT - AUDIT OPINION – (Pages 5 - 12)**

To consider the Audit Manager's Report No. AUD1703 (copy attached), which explains the legislative requirements and best practice guidance for reporting on the adequacy and effectiveness of the Council's framework of governance, risk management and control environment and presents the Audit Manager's opinion on the level of assurance. The Committee is also asked to endorse the Quality and Assurance Improvement Plan.

3. **INTERNAL AUDIT - PUBLIC SECTOR INTERNAL AUDITING STANDARDS – (Pages 13 - 82)**

To consider the Audit Manager's Report No. AUD1701 (copy attached), which describes the results of a self-assessment carried out by the Audit Manager against the Public Sector Internal Auditing Standards (PSIAS) and sets out a plan to address or minimise any non-compliance.

4. **ACCOUNTING POLICIES AND RELATED MATTERS FOR THE YEAR 2016-17 – (Pages 83 - 88)**

To consider the Head of Financial Services' Report No. FIN1720 (copy attached), which reviews the proposed accounting policies to be applied for the closure of the 2016/17 accounts.

5. **APPOINTMENTS – (Pages 89 - 98)**

(1) **Outside Bodies –**

To consider the appointment of representatives to outside bodies. A list of those bodies on which the Council is represented, which includes details of proposed nominations for 2017/18, is attached.

(2) **Appointments and Appeals Panel –**

To confirm the Members of the Appointments and Appeals Panels for the 2017/18 Municipal Year on the basis of four Members (1 Con: 1 Lab: 1 UKIP and a representative of the Cabinet, which would normally be the Cabinet Member for Corporate Services).

(3) **Elections Group –**

To confirm the Members of the Elections Group for the 2017/18 Municipal Year. Previously, the Group consisted of the Cabinet Member with responsibility for electoral services (Concessions and Community Support), the Chairman of the Licensing and General Purposes Committee, the Chairman of the Borough Services Policy and Review Panel and representatives of the other Groups. The Elections

Group has been established jointly by the Borough Services Policy and Review Panel and this Committee.

(4) Licensing Sub-Committee –

To confirm the Members of the Licensing Sub-Committee for the 2017/18 Municipal Year on the basis of five Members (3 Con: 2 Lab).

(5) Licensing Sub-Committee (Alcohol and Entertainments) –

To confirm that the Head of Democratic and Customer Services is authorised to make appointments from the membership of the Licensing and General Purposes Committee in accordance with the procedure agreed by the Committee at its meeting on 21st May, 2009 and detailed in the Licensing Sub-Committee (Alcohol and Entertainments) Hearings Protocol and Procedure.

(6) Local Plan Members Group –

To confirm the Members of the Local Plan Members Group for the 2017/18 Municipal Year on the basis of eight Members including the Leader of the Council, the Cabinet Member for Environment and Service Delivery, the Chairman of the Development Management Committee and five Members (2 Con: 2 Lab: 1 UKIP).

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, 27 March 2017 at the Council Offices, Farnborough at 7.00 pm.

Voting Members

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

33. MINUTES

The Minutes of the Meeting held on 30th January and 2nd February, 2017 were approved and signed by the Chairman.

34. EXTERNAL AUDIT - PROGRESS REPORT

The Committee welcomed to the meeting Mr. Andrew Brittain, Executive Director, Ernst & Young, who reported to the Committee on the progress of the 2016/17 audit.

Members were advised that the external auditors had been on site for planning and interim testing. This was an accelerated programme of testing to ensure that the requirements of the 'faster close' arrangements could be met, in preparation for when these were due to take effect in 2017/18.

RESOLVED: That the Audit Progress Report be noted.

35. EXTERNAL AUDIT - LOCAL GOVERNMENT AUDIT COMMITTEE BRIEFING

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

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

36. INTERNAL AUDIT - AUDIT PLAN

The Committee considered the Audit Manager's Report No. AUD1702, which set out the audit plan for 2017/18 and gave details of the work carried out in order to develop a more efficient audit plan process, which was more appropriate for meeting the needs of the current environment and which would utilise resources more effectively.

The Committee was advised that the audit plan was developed using the risk universe, which comprised all potential areas that could be audited within the Council. Each auditable area was rated against risk criteria which covered: financial materiality; business risk; previous audit experience; and, fraud and corruption. The audit plan was set in March for the year, however, this was subject to changes due to factors including: unplanned work/investigations; ad hoc audits taking longer than estimated; and, concerns being raised by Members or officers. Members were advised that, due to changes within Internal Audit, a review of work had been required to ensure that resources were being used in the most effective and efficient way. As a result, it was felt appropriate to review the way in which the audit plan was developed. The risk universe had been updated to show auditable areas as at January, 2017 and this would be reviewed as appropriate. The risk criteria had also been reviewed to ensure that they captured all relevant areas to be considered in determining the level of risk exposure within an auditable area. The risk criteria now included: corporate priority; impact on reputation; assurance from others; concerns raised; laws or regulations; financial transactions total; and, vulnerability.

The Report advised that the first six months' work would be established on the auditable areas which presented the highest risk to the Council. This would be agreed with the Directors' Management Board and the Committee. The work for the following quarters would be determined at subsequent Board and Committee meetings, as set out in the Report. It was noted that the list of audits would be subject to change, due to the changing needs of the organisation or resource availability.

During discussion, a question was raised regarding corporate priorities and the work of the Budget Strategy Working Group and how this fitted into the Audit Plan. The subject of cyber security was also raised.

RESOLVED: That approval be given to

- (i) the new methodology for selecting areas and the rolling programme to commence in 2017/18; and
- (ii) the new monitoring arrangements for the audit plan.

37. DRAFT FOOD AND HEALTH AND SAFETY SERVICE PLAN 2017/18

The Committee considered the Head of Environmental Health and Housing's Report No. EHH1707 which sought comments on the Council's draft combined Food Safety and Health and Safety Service Plan 2017/18. It was reported that the Council was required to produce annual Food Safety and Health and Safety Service Plans in

accordance with guidance issued by the Food Standards Agency and the Health and Safety Executive respectively. Subject to the views of the Committee, the combined Service Plan would be submitted for a period of public consultation with local businesses and business organisations, with any substantial changes to be considered by the Head of Environmental Health and Housing in consultation with the Cabinet Member for Business, Safety and Regulation.

The Committee noted that the draft Service Plan had been prepared taking into account continuing Government reviews of regulatory services to reduce red tape, to support businesses in the current economic climate and to deliver risk based interventions. The Service Plan responded to the Council's 8- Point Plan for financial sustainability and had developed opportunities for income generation. It was noted that Environmental Health Officers were also engaged in a variety of corporate projects to support the Council's Organisational Development work.

The draft Plan also had a strong link to the Council Plan and the stated purpose of "working with others to improve the quality of people's lives" and also contributed to the priorities of "cleaner, greener and more cultural Rushmoor", "sustaining a thriving economy and boosting local business", "supporting and empowering our communities and meeting local needs" and "financially sound with services fit for the future".

Members' questions were answered in respect of who was responsible for reporting unsafe working practices and also on the food hygiene rating system. The Committee wished to place on record its appreciation of the excellent work done by the food safety and health and safety teams.

RESOLVED: That the draft combined Food Safety and Health and Safety Service Plan for 2017/18 be approved for consultation with local businesses and business organisations, with any substantial proposed changes to be considered by the Head of Environmental Health and Housing in consultation with the Cabinet Member for Business, Safety and Regulation.

38. EXCLUSION OF THE PUBLIC

RESOLVED: That, taking into account the public interest test, the public be excluded from the 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. 27

Schedule 12A Para. No.1

Category - Information relating to an individual

THE FOLLOWING ITEM WAS CONSIDERED IN THE ABSENCE OF THE PUBLIC

39. COMMUNITY AWARD 2017 - NOMINATIONS

The Committee considered the Head of Democratic and Customer Services' Report No. DCS1701, which provided details of nominations received for Rushmoor's Community Award 2017. The Report gave details of how the scheme had been publicised and gave details of the criteria against which nominations would be assessed and compared. The Report explained that the purpose of the scheme was to recognise outstanding achievements in the Borough by local people and particularly to mark long-term commitment.

Members discussed the merits of the nominations which had been set out in an exempt appendix to the Report, taking account of the advice from the Head of Democratic and Customer Services. After careful consideration of the nominations received, the Committee agreed that Mr. Michael Mills and Mrs. Caroline Mills should each be selected for the Award. In the case of Mr. Mills, this would be in recognition of his contribution to the community through his role in Scouting, as Secretary of the Aldershot Branch of the Royal British Legion and his involvement with the Aldershot Branch of the Royal Naval Association. In the case of Mrs. Mills, this would be in recognition of her contribution to the community through her involvement in Scouting and with the Aldershot Branch of the Royal Naval Association as well as being the Poppy Appeal Organiser for the Aldershot Branch of the Royal British Legion.

RESOLVED: That Mr. Michael Mills and Mrs. Caroline Mills be each selected to receive Rushmoor's Community Award 2017.

The meeting closed at 7.45 pm.

CLLR A. JACKMAN (CHAIRMAN)

LICENSING AND GENERAL PUPOSES COMMITTEE
25TH MAY 2017

AUDIT ANAGER'S
REPORT NO.
AUD1703

INTERNAL AUDIT – AUDIT OPINION

Summary:

This report explains the legislative requirements and best practice guidance for reporting on the adequacy and effectiveness of the Council's framework of governance, risk management and control environment and presents the Audit Manager's opinion on the level of assurance.

Recommendations:

Members are recommended to note the contents of the report, including the audit opinion, note the self-assessment exercise against the Public Sector Internal Audit Standards and endorse the Quality and Assurance Improvement Plan.

1 Introduction

1.1 The Accounts and Audit Regulations (2015) require that:

“2(3) A relevant authority must ensure that it has a sound system of internal control which –

- a) Facilities the effective exercise of its functions and the achievement of its aims and objectives.*
- b) Ensure that the financial and operational management of the authority is effective, and*
- c) Includes effective arrangements for the management of risk.*

2(5) 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.”

1.2 Furthermore, with effect from 1st April 2013 the Public Sector Internal Audit Standards (PSIAS) with the Local Government Application Note together supersede the 2006 CIPFA Code of Practice for Internal Audit in Local Government in the UK.

1.3 In accordance with the above requirements, the Audit Manager is required to report, on an annual basis, on the overall adequacy and effectiveness of

Rushmoor Borough Council's framework of governance, Risk Management and control.

- 1.4 In order to fulfil this requirement, this report will cover:
- The internal audit coverage, findings and performance for 2016/17
 - An overall assurance opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and control
 - The result of the Public Sector Internal Audit Standards (PSIAS) self-assessment
 - The Quality Assurance and Improvement Plan (QAIP) for the internal audit service for 2017/18.

2 Audit work for 16/17

- 2.1 The audit work for 16/17 was agreed at the Standards and Audit Committee on the 14/3/16. As of April 2016 the Standards and Audit Committee was discontinued. As a result, internal audit now report to the Licensing and General Purpose Committee. The audit plan was communicated to this committee at the meeting on the 27/6/16.
- 2.2 11 audits were originally planned to be completed within 16/17 in order to contribute to the audit assurance opinion.
- 2.3 Due to the following additional higher priority work being identified within 16/17
- External tenants
 - Public Sector Internal Audit Standards
 - Heating Payments
- the following audits were dropped from the plan in order to free up audit days:
- Heating Contract
 - Prospect Community Centre
 - Building Control
 - Petty cash/ Procurement cards
- 2.4 Therefore, only nine audits will be used to provide the audit opinion for 16/17. Although, at the time of completing this report, 1 audit was still to be completed and will be carried over into quarter 1 of 17/18.
- 2.5 8 follow-ups on recommendations made within previous audits were also carried out in 16/17 to ensure that recommendations are implemented in a timely manner.

Audited area	Completed	Underway	Outstanding
Parking Management System	5	2	-
IT audit - Express System	3	2	-
Financial Grants	11	1	-
HMRC compliance	4	1	2
Member/Mayoral allowances	4	1	-
Planning Enforcement	6	2	-
Network Security	3	2	3
Maintenance team	Unable to review recommendations until Confirm Connect is in place. A further follow-up to be scheduled.		

3 Audit Opinion

3.1 An assurance opinion on the adequacy of the system of internal control has been given to each audit assignment completed in 16/17. *See appendix A*

3.2 There are 5 categories of assurance that can be given:

- **Full** – A comprehensive system of internal controls is in place designed to achieve the system/function/process objectives. These controls are operating effectively and are being consistently applied.
- **Substantial** – Key controls designed to achieve the system/function/process objectives, are in place. There are opportunities to enhance/strengthen these controls.
- **Reasonable** – Basic controls designed to achieve the system/function/process objectives, are in place. Improvements are required if key controls are to be established.
- **Limited** – Minimal controls designed to achieve the system/function/process objectives, are in place. Significant improvements are required if key controls are to be established.
- **No assurance** – No controls that achieve the system/function/process objectives, are in place.

3.3 In assessing the level of assurance to be given for 16/17, the opinion is based on:

- All audits undertaken in 16/17
- The result of any follow up action carried out in 16/17, in respect of previous audit work

- Any significant recommendations not accepted by management and the potential consequences.

3.4 The Audit Manager is required in her capacity to provide an annual assurance opinion of the Council's adequacy and effectiveness of governance, risk management and control. However, it should be noted that the assurance can never be absolute, as audit cannot review every decision and transaction of the Council. Therefore, only a reasonable opinion can be provided that there are no major weaknesses in the Council's risk management, control and governance processes based on the systems audited and any reliance placed on other sources of assurance.

3.5

Opinion of the Audit Manager
<p>I am satisfied that sufficient internal audit work has been undertaken to allow a reasonable opinion to be given on the adequacy and effectiveness of the Council's risk management, control and governance processes.</p> <p>Using the information outlined within this report, in my professional opinion a substantial assurance on the effectiveness of the Council's risk management, control and governance for 16/17 can be given.</p>

4 Public Sector Internal Audit Standards (PSIAS) Self-assessment

4.1 The Public Sector Internal Auditing Standards (PSIAS) and the Local Government Application Note (LGAN), together came into effect from April 2013 and supersedes the 2006 CIPFA Code of Practice for Internal Audit in Local Government.

4.2 As reported in AUD17/01 earlier on this agenda, the Audit Manager has carried out a self-assessment in 16/17 of the internal audit activity against the PSIAS checklist. There are 11 overall standards, which are broken-down into 336 fundamental principles, against which to measure compliance. A summary of the findings is shown in the table below:

Compliant			
Yes	Partial	No	N/A
278 (83%)	30 (9%)	16 (5%)	12 (3%)

- 4.3 The quality assurance and improvement plan in section 5 will look to address some of the non-compliance and partial compliance over the next financial year, taking in to account the resources available.

5 Quality Assurance and Improvement Plan (QAIP)

- 5.1 External Assessment – the Hampshire Audit Managers’ group is carrying out an external assessment as a peer review exercise, the scope of which will be discussed and agreed with the Chief Financial Officer, with the results being reported to Committee.
- 5.2 The QAIP will be reported annually alongside the Audit Opinion in order to better inform Members as to progress against conformance with the Standards and the level of assurance on the adequacy and effectiveness of the Council’s control environment.
- 5.3 The Audit Opinion report structure will be reviewed to ensure inclusion of all relevant areas of the PSIAS. (The current report has already been updated to take account of progress to date).
- 5.4 Changes to the Audit Plan will be communicated to senior managers and the Committee for review and approval. This approach has already been agreed as part of AUD17/02 – The Audit Plan, at the Committee’s March meeting.
- 5.5 Future Audit Plans will detail the approach to using other sources of assurance, such as external audit, Department for Work and Pensions and National Fraud Initiative data matching exercises.
- 5.6 The full QAIP is set out in AUD17/01 - Public Sector Auditing Standards

6 The Annual Governance Statement

- 6.1 The Annual Governance Statement (AGS) is produced annually and published alongside the Council’s Statement of Accounts in September. It shows how the Council has complied with its Code of Corporate Governance and reports on the governance framework in place at Rushmoor.
- 6.2 The Auditor’s Opinion on the adequacy and effectiveness of the Council’s risk management, control and governance processes is required to be considered ahead of the AGS as it provides underlying assurances key to that statement.

- 6.3 The Auditor is required to consider whether there are any governance issues that should be raised within the AGS. It is recommended that the progress against the PSIAS self-assessment be reported within the AGS as well as the revised future reporting lines of the Audit team. The Audit team now report to the Chief Financial Officer while maintaining unfettered access across the organisation, in particular to the Chief Executive, the Leadership team and the chair of Licensing and General Purposes Committee.

Nikki Hughes
Auditor

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References: *Public Sector Internal Audit Standards (2013)*

<http://www.cipfa.org/policy-and-guidance/standards/public-sector-internal-audit-standards>

Appendix A

Audits	Assurance
Treasury Management	Substantial
Cash receipting	Substantial
Housing Benefits	Substantial
Council Tax Billing and Collection	Substantial
Council Tax and NNDR Recovery	Substantial
Parking Machine Income	Reasonable
External Tenants	Limited
Heating Payments	Limited
Capital Accounting – Activation Aldershot	Still in progress

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LICENSING AND GENERAL PURPOSES COMMITTEE
25TH MAY 2017

AUDIT MANAGER'S
REPORT NO. AUD1701

INTERNAL AUDIT PUBLIC SECTOR INTERNAL AUDITING STANDARDS

Summary:

This report describes the results of a self-assessment carried out by the Audit Manager against the Public Sector Internal Auditing Standards (PSIAS) and sets out a plan to address or minimise any non-compliance.

Recommendations:

Members are requested to consider the self-assessment and endorse the Quality and Assurance Improvement Plan, as set out at Appendix B.

1 Introduction

- 1.1 This report to the Licensing and General Purposes Committee:
- Sets out the Public Sector Internal Auditing Standards (PSIAS), which supersedes the CIPFA Code of Practice for Internal Audit that had been previously complied with by Internal Audit.
 - Highlights areas of partial or non-compliance against the new standards.
 - Provides actions required in order to address or minimise any non-compliance.

2 Overview of PSIAS

- 2.1 The Public Sector Internal Auditing Standards (PSIAS) and the Local Government Application Note (LGAN), hereafter referred to as 'the standards', together came into effect from April 2013 and supersede the 2006 CIPFA Code of Practice for Internal Audit in Local Government.
- 2.2 The standards have been developed in conjunction with numerous bodies including the Chartered Institute of Internal Auditors (CIIA) and the Chartered Institute of Public Finance and Accountancy (CIPFA).
- 2.3 There are 11 overall standards, which are broken-down into 336 fundamental principles against which to achieve compliance.
- 2.4 The Accounts and Audit (England) Regulations 2015 state that the standards should be taken into account when evaluating the effectiveness of the Council's risk management, control and governance processes.

‘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.’

3 Work carried out

- 3.1 CIPFA has prepared a Local Government Application Note and a checklist for assessing conformance with the standards in order to evaluate the effectiveness of Internal Audit’s performance. The checklist has been completed by Internal Audit, as a self-assessment to highlight areas of compliance, partial compliance and non-compliance within the Council.
- 3.2 Where the result of the self-assessment was deemed to be non-compliance or partial compliance, actions have been identified to enable compliance.

4 Findings

- 4.1 The self assessment identified that full non compliance was only applicable to 16 out of the 336 fundamental principles (5%). 278 fundamental principles (83%) were fully compliant and partial compliance had been achieved for 30 (9%). A summary of the results is set out at Appendix A, while Appendix C contains the full self-assessment.
- 4.2 Areas of non-compliance and partial compliance were highlighted and work required to be complaint in these areas was determined. Details of this can be seen in Appendix B. In order to be fully compliant with the standards a total of 73 days will be required. However, it should be noted that full compliance does not have to be achieved within one year. The Council is only required to demonstrate to external audit that work is underway to reduce the amount of partial or non-compliance each financial year until compliance is achieved.

5 Further action

- 5.1 Regulations state that as part of the evaluation of the effectiveness of the Council’s risk management, control and governance processes the standards ‘should be taken into account’. This would suggest that being fully compliant is not a key element but should be considered as part of the overall opinion. The Auditor’s opinion is set out in Report AUD 17/03 later on this agenda.
- 5.2 The Council’s external auditors, Ernst & Young have indicated that they would consider compliance towards the standards in their consideration of the Council’s overall control environment. They would look at non-compliant elements and may make a statement within their Audit Results Report depending on which area it related to. However, as long as the Council can demonstrate that it is working towards compliance then they would have no major issues.

- 5.3 A Quality Assurance Improvement Plan (QAIP) should be developed to show the work that will be undertaken over the next financial year towards compliance with the standards. In subsequent years, the QAIP should be updated to show the work that will be carried out until compliance is achieved. This should also be communicated to the Board and Committee.
- 5.4 Work is currently being carried out with the Systems Thinking team to review the way in which internal audit carry out their work. This will also enable changes to be made to processes to ensure further compliance with the standards.

Nikki Hughes
Internal Auditor

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Compliance with the Public Sector Internal Audit Standards – 2016/17

Section	Standard	Yes	Partial	No	N/A	Total	% Non compliance
1	Definition of Internal Audit	3	0	0	0	3	0%
2	Code of Ethics	13	0	0	0	13	0%
3	Attribute Standards						
3.1	Purpose, Authority and Responsibility	3	19	1	0	23	4%
3.2	Independence and Objectivity	24	1	2	3	30	7%
3.3	Proficiency and Due Professional Care	21	0	0	0	21	0%
3.4	Quality Assurance and Improvement Programme	19	4	4	0	27	15%
4	Performance Standards						
4.1	Managing the Internal Audit Activity	43	3	1	0	47	2%
4.2	Nature of Work	23	1	7	0	31	23%
4.3	Engagement Planning	55	0	0	3	58	0%
4.4	Performing the Engagement	22	0	0	0	22	0%
4.5	Communicating Results	46	2	1	6	55	2%
4.6	Monitoring Progress	4	0	0	0	4	0%
4.7	Communicating the Acceptance of Risks	2	0	0	0	2	0%
	Total	278	30	16	12	336	5%

Appendix B

Action	Audit days	Timing of work	Changes to standard compliance
Update the internal audit charter to include relevant elements	5 days	18/19	s.3.1 Action would move 19 partials and 1 non-compliance to full compliance
Update the internal audit policies and procedures	6 days	18/19	s.4.1 Action would move 2 partial and 1 non-compliance to full compliance
Update the overall audit opinion report to include the relevant areas as laid out in the PSIAS.	5 days (Extra days in 17/18 required as new format and structure to the report will need to be developed but in following years less days should be required as the standard format of the report will be in place.)	17/18	s.4.1 Action would move 1 partial compliance to a full compliance
Annually review compliance to the standards and report outcomes within the overall opinion as part of a quality assurance and improvement programme	5 days	17/18	s.3.4 Action would move 2 non-compliance and 3 partial compliance to full compliance
Within the audit plan, detail the approach to using other sources of assurance.	½ day	17/18	
Communicate changes to the audit plan with senior management and the board for review and approval.	1 day	17/18	
Include an ethics audit within the audit plan.	25 days	18/19	s.4.2 Action would move 3 non-compliance and 1 partial compliance to full compliance
Include a risk management audit within the audit plan.	25 days	18/19	s.4.2 Action would move 4 non-compliance to full compliance
Discuss the form of external assessment with the board and agree the scope with committee, CFO or CE.	1 day	17/18	s.3.4 Action would move 1 partial compliance and 2 non-compliance to full compliance

Prioritise recommendations in audit reports according to risk	Minimal	16/17	s.4.5 Action would move 1 partial compliance to a full compliance
When issuing engagement results to external auditors ensure that the limitations on distribution and use of the engagement results is communicated.	Minimal	16/17	s.4.5 Action would move 1 non-compliance to a full compliance
TOTAL	73 ½ days		

CHAPTER FOUR

Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note

This checklist has been developed to satisfy the requirements set out in PSIAS 1311 and 1312 for periodic self-assessments and externally validated self-assessments as part of the Quality Assurance and Improvement Programme. It incorporates the requirements of the PSIAS as well as the Application Note in order to give comprehensive coverage of both documents.

Please tick to indicate Y = YES, P = PARTIAL, N = NO. Evidence for each response must be provided and reasons for any partial or full non-conformance should be given, together with any compensating measures in place or actions in progress to address this.

Ref	Conformance with the Standard	Y	P	N	Evidence
1	Definition of Internal Auditing				
	Using evidence gained from assessing conformance with other Standards, is the internal audit activity:				
	a) Independent?	✓			The internal audit activity is independent as it reports directly to senior management.

Ref	Conformance with the Standard	Y	P	N	Evidence
	b) Objective?	✓			Internal auditors are objective in the work that they carry out.
	Using evidence gained from assessing conformance with other Standards, does the internal audit activity use a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes within the organisation?	✓			A systematic and disciplined approach is used by the internal audit team to evaluate the effectiveness of risk management, control and governance within the organisation and where necessary improvements are suggested.
2	Code of Ethics				
	<p>Integrity</p> <p>Using evidence gained from assessing conformance with other Standards, do internal auditors:</p> <p>a) Perform their work with honesty, diligence and responsibility?</p> <p>b) Observe the law and make disclosures expected by the law and the profession?</p> <p>c) Not knowingly partake in any illegal activity nor engage in in acts that are discreditable to the profession of internal auditing or to the</p>	<p>✓</p> <p>✓</p> <p>✓</p>			<p>Internal auditors carry out their work with honesty, diligence and responsibility, in line with organisational policies and requirements of professional bodies to which they are part of.</p> <p>Relevant legislations and regulations are reviewed in each area audited. Where compliance is not adhered to this is disclosed within the reports, to senior management and if necessary would be communicated to the appropriate bodies.</p> <p>Internal auditors do not knowingly partake in any illegal activity and they have a duty to remain creditable to</p>

Ref	Conformance with the Standard	Y	P	N	Evidence
	<p>organisation?</p> <p>d) Respect and contribute to the legitimate and ethical objectives of the organisation?</p>	✓			<p>the profession of internal auditing to maintain their professional qualification.</p> <p>Internal auditors respect and contribute to the ethical objectives of the organisation as these are considered throughout the reviews carried out to ensure that ethical objectives are being maintained.</p>
	<p>Objectivity</p> <p>Using evidence gained from assessing conformance with other Standards, do internal auditors display objectivity by not:</p> <p>a) Taking part in any activity or relationship that may impair or be presumed to impair their unbiased assessment?</p> <p>b) Accepting anything that may impair or be presumed to impair their professional judgement?</p> <p>c) Disclosing all material facts known to them that, if not disclosed, may distort the reporting of activities under review?</p>	<p>✓</p> <p>✓</p> <p>✓</p>			<p>Internal auditors do not carry out any activities that would impair on their unbiased assessment. For example, auditors would not carry out reviews in the same area as family members work.</p> <p>Internal auditors do not accept anything that may impair their professional judgement. If any offers are made then this is recorded within the organisations gifts and hospitality policy and form.</p> <p>All material facts identified during activities are disclosed.</p>
	Confidentiality				

Ref	Conformance with the Standard	Y	P	N	Evidence
	<p>Using evidence gained from assessing conformance with other Standards, do internal auditors display objectivity by:</p> <p>a) Acting prudently when using information acquired in the course of their duties and protecting that information?</p> <p>b) Not using information for any personal gain or in any manner that would be contrary to the law or detrimental to the legitimate and ethical objectives of the organisation?</p>	<p>✓</p> <p>✓</p>			<p>Information obtained in the course of their duties is protected to ensure that the sensitive of any data is maintained. Paper documents are stored within lockable cabinets and electronic data is stored within areas only accessible by auditors. Information is not communicated to others unless necessary and confidentiality is maintained.</p> <p>Internal auditors do not use information for any personal gain. Access to information is for the use of audits being carried out. If necessary checks can be made on electronic data accessed to ensure that this was only accessed for legitimate reasons.</p>
	<p>Competency</p> <p>Using evidence gained from assessing conformance with other Standards, do internal auditors display objectivity by:</p> <p>a) Only carrying out services for which they have the necessary knowledge, skills and experience?</p>	<p>✓</p>			<p>Services would only be carried out by internal auditors if they had the necessary knowledge, skills and experience. For example, IT audits would not be carried out in-house as the appropriate skills are not possessed by the internal auditors.</p>

Ref	Conformance with the Standard	Y	P	N	Evidence
	b) Performing services in accordance with the PSIAS?	✓			Internal auditors perform services in line with the requirements of PSIAS.
	c) Continually improving their proficiency and effectiveness and quality of their services, for example through CPD schemes?	✓			Internal auditors ensure that they continually improve their proficiency, effectiveness and quality of their service by ensuring that CPD requirements are maintained in line with qualifications that they hold. To ensure that they are up to date with emerging changes within the profession.
	Do internal auditors have regard to the on Standards of Public Life's <i>Seven Principles of Public Life</i> ?	✓			Internal auditors have regard for the seven principles of public life as detailed within the Council's Officer Code of Conduct policy.
	Standards				
3	Attribute Standards				
3.1	1000 Purpose, Authority and Responsibility				
	Does the internal audit charter include a formal definition of:				An audit charter is in place however, it requires updating and further details to be included. It does include the purpose, authority and responsibility of the internal audit activity.
	a) the purpose		✓		
	b) the authority, and		✓		
	c) the responsibility		✓		
	of the internal audit activity consistent with the Public Sector Internal				

Ref	Conformance with the Standard	Y	P	N	Evidence
Pack Page 24	Audit Standards (PSIAS)?				
LGAN	<p>Does the internal audit charter define the terms 'board' and 'senior management', for the purposes of the internal audit activity?</p> <p>Note that it is expected that the audit committee will fulfil the role of the board in the majority of instances.</p>		✓		As above.
LGAN	<p>Does the internal audit charter also:</p> <p>a) Set out the internal audit activity's position within the organisation?</p> <p>b) Establish the CAE's functional reporting relationship with the board?</p> <p>c) Establish the accountability, reporting line and relationship between the CAE and those to whom the CAE may report administratively?</p>		<p>✓</p> <p>✓</p> <p>✓</p>		As above.
LGAN	<p>d) Establish the responsibility of the board and also the role of the statutory officers (such as the CFO, the monitoring officer and the head of paid service) with regards to internal audit?</p> <p>e) Establish internal audit's right of access to all records, assets, personnel and premises and its authority to obtain such information and explanations as it considers necessary to fulfil its responsibilities?</p>		<p>✓</p> <p>✓</p>		As above.
LGAN	f) Define the scope of internal audit activities?		✓		
LGAN	g) Recognise that internal audit's remit extends to the entire control		✓		As above.

Ref	Conformance with the Standard	Y	P	N	Evidence
	environment of the organisation?				
LGAN	h) Identify internal audit's contribution to the review of effectiveness of the control environment, as set out in the Accounts and Audit (England) Regulations 2011?		✓		
LGAN	i) Establish the organisational independence of internal audit?		✓		
	j) Cover the arrangements for appropriate resourcing?		✓		
	k) Define the role of internal audit in any fraud-related work?		✓		
	l) Set out the existing arrangements within the organisation's anti-fraud and anti-corruption policies, to be notified of all suspected or detected fraud, corruption or impropriety?		✓		
	m) Include arrangements for avoiding conflicts of interest if internal audit undertakes non-audit activities?		✓		As above.
	n) Define the nature of assurance services provided to the organisation, as well as assurances provided to parties external to the organisation?		✓		
	o) Define the nature of consulting services?		✓		
	p) Recognise the mandatory nature of the PSIAS?			✓	
	Does the chief audit executive (CAE) periodically review the internal audit charter and present it to senior management and the board for approval?	✓			The CAE periodically reviews the internal audit charter when required. Updates are reported to senior management and the board for approval.

Ref	Conformance with the Standard	Y	P	N	Evidence
	Does the CAE attend audit committee meetings?	✓			The CAE does attend the audit committee meetings. If she is unable to attend then the internal auditor or CFO will attend in her absence.
	Does the CAE contribute to audit committee agendas?	✓			The CAE does contribute to the audit committee agendas by putting internal audit reports forward for discussion at the committee or any other relevant items. Items for the agenda are requested a few weeks prior to the committee meeting.
	Does the CAE have direct and unrestricted access to senior management and the board?	✓			The CAE has direct and unrestricted access to senior management and the board as detailed within the audit charter.
	Does the CAE have free and unfettered access to, as well as communicate effectively with, the chief executive or equivalent and the chair of the audit committee?	✓			The CAE communicates regularly with the chief executive/ senior management. The CAE communicates with the chair of the audit committee prior to meetings and when necessary. This is detailed within the audit charter.
	Are threats to objectivity identified and managed at the following levels:	✓			
	a) Individual auditor?				Internal auditors ensure that the chief audit executive is aware of any potential threats to objectivity so that this

Ref	Conformance with the Standard	Y	P	N	Evidence
	<p>b) Engagement?</p> <p>c) Functional?</p> <p>d) Organisation?</p>				<p>can be taken into account when allocating audit work. However, details are not specifically recorded.</p> <p>The internal audit activity has no responsibilities that would impact on objectivity of the engagements carried out.</p> <p>Internal Audit are a standalone function so that there are no threats to objectivity.</p> <p>As above.</p>
	<i>1110 Organisational Independence</i>				
	Does the CAE report to an organisational level equal or higher to the corporate management team?	✓			The CAE reports to senior management.
LGAN	Does the CAE report to a level within the organisation that allows the internal audit activity to fulfil its responsibilities?	✓			As above. The senior management support the internal audit activity in order to allow it to fulfil its responsibilities.
LGAN	<p>Have reporting and management arrangements been put in place that preserve the CAE's independence and objectivity?</p> <p>This is of particular importance when the CAE is line managed by another officer of the authority.</p>	✓			The CAE independence and objectivity is preserved by being a standalone unit reporting directly to senior management with the option of reporting straight to chairman of the overview committee (L&GP).
LGAN	Does the CAE's position in the management structure:	✓			

Ref	Conformance with the Standard	Y	P	N	Evidence
	<p>a) Reflect the influence he or she has on the control environment?</p> <p>b) Provide the CAE with sufficient status to ensure that audit plans, reports and action plans are discussed effectively with the board?</p> <p>c) Ensure that he or she is sufficiently senior and independent to be able to provide credibly constructive challenge to senior management?</p>				<p>The CAE in her position is able to influence the control environment.</p> <p>The audit plans and reports are directly communicated to senior management and the board.</p> <p>The CAE's position is senior and independent enough to constructively challenge senior management.</p>
	<p>Does the CAE confirm to the board, at least annually, that the internal audit activity is organisationally independent?</p> <p>The following examples can be used by the CAE when assessing the organisational independence of the internal audit activity:</p> <p>The board:</p> <p>a) approves the internal audit charter</p> <p>b) approves the risk-based audit plan</p> <p>c) approves the internal audit budget and resource plan</p>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>			<p>See below</p> <p>The internal audit charter is required to go through board in order for its final approval.</p> <p>The risk-based audit plan is communicated to the board prior to the financial year commencing, for them to approve.</p> <p>Budgets, including any additional resources required, are approved by the board as part of the overall budget process.</p>
	<p>d) receives communications from the CAE on the activity's</p>	<p>✓</p>			<p>Quarterly a report is presented to the board to communicate the perfor-</p>

Ref	Conformance with the Standard	Y	P	N	Evidence
	performance (in relation to the plan, for example)				mance against the plan. In 2017, a review back on the previous years audit plan will be carried out to show the board changes made to the plan and the reason for the changes.
	e) approves decisions relating to the appointment and removal of the CAE			✓	Appointment or removal of the CAE has not occurred. However, the board would not normally approve the appointment of the CAE this is only done for heads of service.
	f) seeks reassurance from management and the CAE as to whether there are any inappropriate scope or resource limitations.			✓	Board do not seek reassurance as to whether there are any inappropriate scope of resource limitation.
	Does the chief executive or equivalent undertake, countersign, contribute feedback to or review the performance appraisal of the CAE?	✓			The performance appraisal of the CAE is undertaken/ reviewed by senior management.
	Is feedback sought from the chair of the audit committee for the CAE's performance appraisal?		✓		Feedback is not specifically sought form the chair of the audit committee for the CAE's performance appraisal. However, if the chair had any concerns these could be raised with the CFO.
	<i>1111 Direct Interaction with the Board</i>				
	Does the CAE communicate and interact directly with the board?	✓			The CAE does communicate and interacts directly with the board, mainly the chairman of the board.
	<i>1120 Individual Objectivity</i>				

Ref	Conformance with the Standard	Y	P	N	Evidence
	Do internal auditors have an impartial, unbiased attitude?	✓			Internal auditors have an impartial and unbiased attitude. This is reviewed at appraisals, 1 to 1 meetings and as part of the recruitment and selection process.
	Do internal auditors avoid any conflict of interest, whether apparent or actual?	✓			Internal auditors declare any conflicts of interest so that these are avoided where possible. For example, family members are declared and auditors are aware that they are not able to carry out audit work within the same area that the family member works to ensure no conflict of interest. Furthermore, CAE ensures that work is not assigned to them for that area.
	<i>1130 Impairment to Independence or Objectivity</i>				
	If there has been any real or apparent impairment of independence or objectivity, has this been disclosed to appropriate parties (depending on the nature of the impairment and the relationship between the CAE and senior management/the board as set out in the internal audit charter)?	N/A			There has been no impairment of independence or objectivity. However, if independence or objectivity is impaired then this would be disclosed to the appropriate parties.
	Have internal auditors assessed specific operations for which they have been responsible within the previous year?	✓			Audit does not have responsibility for other areas within the organisation. If internal auditors have been responsible for specific operations then they would not be assigned the audit work in this area for at least 2 years.
	If there have been any assurance engagements in areas over which	✓			Audit does not have responsibility for

Ref	Conformance with the Standard	Y	P	N	Evidence
	the CAE also has operational responsibility, have these engagements been overseen by someone outside of the internal audit activity?				other areas within the organisation.
LGAN	Are assignments for ongoing assurance engagements and other audit responsibilities rotated periodically within the internal audit team?	✓			The internal audit team is small however audits are periodically rotated with the internal auditor and the contractor.
LGAN	Have internal auditors declared interests in accordance with organisational requirements?	✓			Any interests are declared in accordance with the organisational requirements.
LGAN	Where any internal auditor has accepted any gifts, hospitality, inducements or other benefits from employees, clients, suppliers or other third parties (other than as may be allowed by the organisation's own policies), has this been declared and investigated fully?	✓			Any gifts & hospitality accepted or offered is declared in accordance with the organisation's gifts and hospitality policy.
LGAN	Have any instances been discovered where an internal auditor has used information obtained during the course of duties for personal gain?	N/A			No instances have been discovered of internal auditors using information obtained during the course of duties for personal gain.
LGAN	Have internal auditors disclosed all material facts known to them which, if not disclosed, could distort their reports or conceal unlawful practice, subject to any confidentiality agreements?	✓			Internal auditors disclose all material facts in line with the code of ethics for the organisation and the relevant bodies that they are members to.
LGAN	Have internal auditors complied with the Bribery Act 2010?	✓			Internal auditors comply with the Bribery Act 2010 as documented within the organisations anti-fraud, bribery and corruption policy.
	If there has been any real or apparent impairment of independence or	N/A			If an impairment of independence or objectivity either real or apparent then

Pack Page 32	Conformance with the Standard	Y	P	N	Evidence
	objectivity relating to a proposed consulting services engagement, was this disclosed to the engagement client before the engagement was accepted?				this would be disclosed to the client before the engagement accepted.
	Where there have been significant additional consulting services agreed during the year that were not already included in the audit plan, was approval sought from the board before the engagement was accepted?	✓			Significant consulting services have not been carried out by internal audit. However, should this be required and not already included within the audit plan approval would be sought from senior management and the board.
3.3	1200 Proficiency and Due Professional Care				
	<i>1210 Proficiency</i>				
	Does the CAE hold a professional qualification, such as CMIIA/CCAB or equivalent?	✓			FMAAT and CIPD
	Is the CAE suitably experienced?	✓			The CAE has over 15 years' experience in the role.
LGAN	Is the CAE responsible for recruiting appropriate internal audit staff, in accordance with the organisation's human resources processes?	✓			The CAE is responsible for recruiting appropriate internal audit staff and would be part of the recruitment process in line with the organisations HR processes.
LGAN	Does the CAE ensure that up-to-date job descriptions exist that reflect roles and responsibilities and that person specifications define the required qualifications, competencies, skills, experience and personal attributes?	✓			Up to date job descriptions are held detailing the roles and responsibilities, and person specifications.

Ref	Conformance with the Standard	Y	P	N	Evidence
	Does the internal audit activity collectively possess or obtain the skills, knowledge and other competencies required to perform its responsibilities?	✓			The internal audit activity has the skills, knowledge and competencies required where IT skills are required this is bought in. One auditor has CIA, PIIA and ACCA. The CAE has FMAAT and CIPD.
	Where the internal audit activity does not possess the skills, knowledge and other competencies required to perform its responsibilities, does the CAE obtain competent advice and assistance?	✓			IT audits are required to be carried out annually as part of the audit plan. The in house auditors do not have the skills or competencies needed to carry out the IT audits therefore an external IT auditor is contracted to carry out the work. If further skills are required in other areas then auditors with the necessary skills would be sought.
	Do internal auditors have sufficient knowledge to evaluate the risk of fraud and anti-fraud arrangements in the organisation?	✓			Internal auditors have sufficient knowledge to evaluate the risk of fraud. A Hampshire fraud group is attended to share/ identify knowledge of new emerging fraud risks and current frauds being investigated. The Corporate Investigation officers are specifically trained for evaluating the risk of fraud. The Council is also part of the National Anti-Fraud Network (NAFN).
Pack Page 33	Do internal auditors have sufficient knowledge of key information technology risks and controls?	✓			Internal auditors have knowledge of key information technology risks and controls and work closely with the Head of IT and Facilitates and the IT Technical Services Manager. External IT audit resources are available when

Ref	Conformance with the Standard	Y	P	N	Evidence
					required.
	Do internal auditors have sufficient knowledge of the appropriate computer-assisted audit techniques that are available to them to perform their work, including data analysis techniques?	✓			Internal auditors have sufficient knowledge of the computer-assisted audit techniques available to them and data analysis techniques. Although specific CAT programmes are not used within the organisation.
	<i>1220 Due Professional Care</i>				
	<p>Do internal auditors exercise due professional care by considering the:</p> <p>a) Extent of work needed to achieve the engagement's objectives?</p> <p>b) Relative complexity, materiality or significance of matters to which assurance procedures are applied?</p> <p>c) Adequacy and effectiveness of governance, risk management and control processes?</p> <p>d) Probability of significant errors, fraud, or non-compliance?</p>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>			<p>The work needed to achieve the engagement objectives is considered at the planning stage of the engagement by detailing the testing required.</p> <p>Internal auditors take into account the complexity, materiality and the significance of matters when applying assurance procedures and reporting on these.</p> <p>The risks associated with the engagement and the controls in place are considered when planning the engagement. They are documented and testing carried out on the controls in place.</p> <p>Probability of significant errors, fraud or non-compliance is evaluated at the</p>

Ref	Conformance with the Standard	Y	P	N	Evidence
	e) Cost of assurance in relation to potential benefits?	✓			<p>planning stage and during testing. Where necessary the probability would be considered when suggesting any control weaknesses to improve on.</p> <p>The cost/ resource time required to provide a level of assurance is evaluated at the planning stage, against the benefit to the organisation of providing that level of assurance.</p>
	<p>Do internal auditors exercise due professional care during a consulting engagement by considering the:</p> <p>a) Needs and expectations of clients, including the nature, timing and communication of engagement results?</p> <p>b) Relative complexity and extent of work needed to achieve the engagement's objectives?</p> <p>c) Cost of the consulting engagement in relation to potential benefits?</p>	<p>✓</p> <p>✓</p> <p>✓</p>			<p>The needs and expectations of the client are taken into account at the start of a consulting engagement and are discussed with the client.</p> <p>The complexity is establish and it is determined if the audit activity has the necessary skills to achieve the consulting engagement objectives.</p> <p>The cost vs benefits is considered prior to taking on the consulting engagement to ensure efficient use of audit activity resources.</p>
	<i>1230 Continuing Professional Development</i>				

Pack Page 36	Conformance with the Standard	Y	P	N	Evidence
GAN	Has the CAE defined the skills and competencies for each level of auditor?	✓			The skills and competencies for each level of auditor is defined.
GAN	Does the CAE periodically assess individual auditors against the predetermined skills and competencies?	✓			The CAE periodically assesses individual auditors' skills and competencies as part of monthly 1 to 1 meetings and annual appraisals.
	Do internal auditors undertake a programme of continuing professional development?	✓			Internal auditors carry out continued professional development in line with the requirements of the qualifications that they hold. Any knowledge, skills or other competencies they feel could be enhanced is discussed as part of the appraisal process carried out annually or at 1 to 1 monthly meetings.
	Do internal auditors maintain a record of their professional development and training activities?	✓			Internal auditors record their professional development and training activities in order to meet the requirements of their qualifications.
3.4	1300 Quality Assurance and Improvement Programme				
	Has the CAE developed a Quality Assurance and Improvement Programme (QAIP) that covers all aspects of the internal audit activity and enables conformance with all aspects of the PSIAS to be evaluated?	✓			Contract auditor files are reviewed and details of these recorded to ensure quality. However, due to resource constraints the in house auditors files are currently not reviewed by the CAE. However fortnightly 1 to 1 meetings are carried out to review work/ progress. This also applies to the Corporate Investigations Team. Non-compliance or partial compliance

Ref	Conformance with the Standard	Y	P	N	Evidence
					to PSIAS is reported to the board along with actions to take in order to move towards full compliance.
	Does the QAIP assess the efficiency and effectiveness of the internal audit activity and identify opportunities for improvement?	✓			The QAIP does identify opportunities for improvement not only towards the PSIAS but also to meet the needs of the organisation by providing an effective internal audit activity. Currently the internal audit activity is having a systems thinking review carried out in order to identify areas for improvement.
	Does the CAE maintain the QAIP?	✓			Annually the QAIP is reviewed when providing an overview to the board on progress towards actions within the QAIP.
LGAN	If the organisation is a 'larger relevant body' in England, does it conduct a review of the effectiveness of its internal audit at least annually, in accordance with the Accounts and Audit (England) Regulations 2011 section 6(3)?	✓			A review of the effectiveness of internal audit is carried out annually in accordance with Accounts and Audit (England) Regulations 2015 section 5 and 6. An annual governance statement is also prepared and communicated to the board for review along with an annual statement of the effectiveness of the organisations risk management, control and governance processes.
	<i>1310 Requirements of the Quality Assurance and Improvement Programme</i>				

	Conformance with the Standard	Y	P	N	Evidence
	Does the QAIP include both internal and external assessments?		✓		An external assessment has not yet been carried out since the introduction of PSIAS. However, work is currently underway to complete the external assessment as a group with the Hampshire Audit Managers. This is due to be completed within 2017/18.
	<i>1311 Internal Assessments</i>				
LGAN	Does the CAE ensure that audit work is allocated to staff with the appropriate skills, experience and competence?	✓			As part of the annual audit plan produced, the work is assigned to specific auditors with the appropriate skills, experience and competencies.
	Do internal assessments include ongoing monitoring of the internal audit activity, such as:				
	a) Routine quality monitoring processes?	✓			Monitoring of the performance of the internal audit activity is carried out through reviews of work undertaken and this is communicated to senior management and the board for review & scrutiny.
	b) Periodic assessments for evaluating conformance with the PSIAS?	✓			Conformance with PSIAS is assessed annually as part of the audit opinion.
LGAN	Does ongoing performance monitoring include comprehensive performance targets?	✓			Internal auditors are required to fulfil the requirements of the annual audit plan and ensure that audits are carried out within an appropriate timeframe set with the auditee.

Ref	Conformance with the Standard	Y	P	N	Evidence
LGAN	Are the performance targets developed in consultation with appropriate parties and included in any service level agreement?	✓			Performance targets are developed in consultation with the auditee prior to the audit commencing. The annual audit plan is agreed with the board and senior management.
LGAN	Does the CAE measure, monitor and report on progress against these targets?	✓			The targets are reviewed in monthly 1 to 1 meetings. Progress towards the targets are reported to senior management and the board.
LGAN	Does ongoing performance monitoring include obtaining stakeholder feedback?	✓			Verbal feedback is obtained from stakeholders on the audits carried out. The board feedback on the performance towards the audit plan at committee meetings.
	Are the periodic self-assessments or assessments carried out by people external to the internal audit activity undertaken by those with a sufficient knowledge of internal audit practices? Sufficiency would require knowledge of the PSIAS and the wider guidance available such as the Local Government Application Note and/or IIA practice advisories, etc.	✓			The CAE carries out the self-assessment. She has sufficient knowledge of the internal audit practices with the Council.
LGAN	Does the periodic assessment include a review of the activity against the risk-based plan and the achievement of its aims and objectives?	✓			A review of the activity against the risk-based plan is carried out as part of the assessment.
	<i>1312 External Assessments</i>				
	Has an external assessment been carried out, or is planned to be carried out, at least once every five years?	✓			Work is currently underway with the Hampshire Audit group in order to carry out an external assessment as

Ref	Conformance with the Standard	Y	P	N	Evidence
Pack Page 40					part of the group. This will be completed in 2017/18.
LGAN	Has the CAE considered the pros and cons for the different types of external assessment (ie 'full' or self-assessment plus 'independent validation')?	✓			The different types of external assessments have been considered and it is thought that a reciprocal arrangement with other Hampshire Council's would be the most relevant.
	Has the CAE discussed the proposed form of the external assessment and the qualifications and independence of the assessor or assessment team with the board?			✓	The proposed form of the external assessment has not yet been discussed with the board. However, this will be communicated to the board in 2017.
LGAN	Has the CAE agreed the scope of the external assessment with an appropriate sponsor, such as the chair of the audit committee, the CFO or the chief executive?			✓	The scope of the external assessment has not yet been agreed with an appropriate sponsor.
	Has the CAE agreed the scope of the external assessment with the external assessor or assessment team?	✓			The scope of the external assessment has been agreed as part of the Hampshire Audit Group.
	<p>Has the assessor or assessment team demonstrated its competence in both areas of professional practice of internal auditing and the external assessment process?</p> <p>Competence can be determined in the following ways:</p> <ul style="list-style-type: none"> a) experience gained in organisations of similar size b) complexity c) sector (ie the public sector) d) industry (ie local government), and e) technical experience. 	✓			The assessment team comprise of Internal Audit Managers and Heads of Internal Audit with relevant experience in local government public sector.

Ref	Conformance with the Standard	Y	P	N	Evidence
	Note that if an assessment team is used, competence needs to be demonstrated across the team and not for each individual member.				
	How has the CAE used his or her professional judgement to decide whether the assessor or assessment team demonstrates sufficient competence to carry out the external assessment?	✓			The assessment team are Audit Managers/ Heads of Audit with sufficient qualifications, skills, knowledge and competencies to carry out the external assessment The competencies have been demonstrated through meetings, discussions and work carried out as part of the group.
	Does the assessor or assessment team have any real or apparent conflicts of interest with the organisation? This may include, but is not limited to, being a part of or under the control of the organisation to which the internal audit activity belongs.	✓			No real or apparent conflicts of interest are apparent RBC internal audit does not belong to any of the other Hampshire authorities.
	<i>1320 Reporting on the Quality Assurance and Improvement Programme</i>				
Pack Page 41	<p>Has the CAE reported the results of the QAIP to senior management and the board?</p> <p>Note that:</p> <p>a) the results of both external and periodic internal assessment must be communicated upon completion</p>			✓	<p>The QAIP has not yet been reported to senior management or the board but will be in 2017.</p> <p>The internal assessment will be communicated to senior management and the board annually when completed. The results of the external assessment will be communicated to the board and senior management once completed in 2017/18.</p>

Ref	Conformance with the Standard	Y	P	N	Evidence
	<p>b) the results of ongoing monitoring must be communicated at least annually</p> <p>c) the results must include the assessor's or assessment team's evaluation with regards to the degree of the internal audit activity's conformance with the PSIAS.</p>				<p>Ongoing monitoring will be communicated annually to senior management and the board.</p> <p>The evaluation to the degree of conformance with the PSIAS is reported to senior management and the board along with details as to the requirement needed in order to fully conform with the PSIAS.</p>
	Has the CAE included the results of the QAIP and progress against any improvement plans in the annual report?			✓	The QAIP and progress will be communicated in the annual report to senior management and the board in 2017.
	<i>1321 Use of 'Conforms with the International Standards for the Professional Practice of Internal Auditing'</i>				
	Has the CAE stated that the internal audit activity conforms with the PSIAS only if the results of the QAIP support this?		✓		The internal audit activity does conform to the old CIPFA standards and is currently working on full conformance with PSIAS.
	<i>1322 Disclosure of Non-conformance</i>				
	Has the CAE reported any instances of non-conformance with the PSIAS to the board?		✓		There are some elements of non-conformance this has been communicated to senior management but has not yet been communicated to the board. However, this will be carried out this financial year along with an improvement programme.

Ref	Conformance with the Standard	Y	P	N	Evidence
	Has the CAE considered including any significant deviations from the PSIAS in the governance statement and has this been evidenced?		✓		Work is currently underway to ensure conformance however this has not been included within the current governance statement but will be considered for the next financial year. The internal audit activity does conform to the old CIPFA standards and is currently working on conformance with PSIAS.
4	Performance Standards				
	Do the results of the internal audit activity's work achieve the purposes and responsibility of the activity, as set out in the internal audit charter?	✓			The results of the internal audit activity's work does achieve the purpose and responsibility of the activity as stated within the audit charter.
	Does the internal audit activity conform with the <i>Definition of Internal Auditing</i> and the <i>Standards</i> ?		✓		The internal audit activity is currently being reviewed against the definition of internal auditing and the standards. Some non-conformance has been identified and will have been communicated to senior management and will be communicated to the board. Work will also be undertaken to ensure the internal audit activity conforms to PSIAS.
	Do individual internal auditors, who are part of the internal audit activity, demonstrate conformance with the <i>Code of Ethics</i> and the <i>Standards</i> ?	✓			Individuals within the internal audit activity demonstrate conformance with the Code of Ethics and majority of the Standards are also conformed

Ref	Conformance with the Standard	Y	P	N	Evidence
					with however work is being undertaken to ensure full compliance.
	<p>Does the internal audit activity add value to the organisation and its stakeholders by</p> <p>a) Providing objective and relevant assurance?</p> <p>b) Contributing to the effectiveness and efficiency of the governance, risk management and internal control processes?</p>	<p>✓</p> <p>✓</p>			<p>The internal audit activity provides stakeholders and the organisation with objective and relevant assurance and contributes to the effectiveness and efficiency of governance, risk management and control process based on the audits carried out in line with the audit plan and recommendations made to improve processes. The audit plan is developed based on the risks and requirements specific to the organisation. An annual assurance opinion is also provided to senior management and the board.</p> <p>As above.</p>
	<i>2010 Planning</i>				
	Has the CAE determined the priorities of the internal audit activity in a risk-based plan and are these priorities consistent with the organisation's goals?	✓			A risk universe sets out the auditable activities within the Council. This is updated as required/ when changes occur. The audit plan is developed based on the risk score determined within the risk universe which includes a criteria to consider the organisa-

Ref	Conformance with the Standard	Y	P	N	Evidence
					tional goals/ requirements.
	Does the risk-based plan take into account the requirement to produce an annual internal audit opinion?	✓			The annual audit plan ensures adequate cover of key financial systems and key risk areas, to ensure an appropriate audit opinion can be made. The plan also sets aside time for when the opinion is required to be reported to the board.
	Does the risk-based plan take into account the organisation's assurance framework?	✓			The risk management group have recently reformed. The assurance framework has not been maintained over the years but will be as part of this group. The risk-based plan 17/18 will look to take into account the organisations assurance framework.
	Does the risk-based plan incorporate or is it linked to a strategic or high-level statement of: a) How the internal audit service will be delivered? b) How the internal audit service will be developed in accordance with the internal audit charter? c) How the internal audit service links to organisational objectives and priorities?	✓ ✓ ✓			The internal audit charter defines how the internal audit service will be delivered. However, the internal audit charter requires updating. As above The organisational objectives and priorities are linked to the audit plan and considered as one of the risk criteria.
	Does the risk-based plan set out how internal audit's work will identify	✓			Local and national issues and risks

Ref	Conformance with the Standard	Y	P	N	Evidence
	and address local and national issues and risks?				are discussed at the Hampshire Audit Managers group quarterly. Furthermore, the CAE ensures that any issues or risks within the organisations are communicated so that if necessary these can be included within the annual audit plan for further review.
	In developing the risk-based plan, has the CAE taken into account the organisation's risk management framework and relative risk maturity of the organisation?	✓			A risk universe sets out the auditable activities within the Council and gives the activity a risk score. This is reviewed annually with ad hoc changes being made when they are required. An internal control evaluation is carried out for each engagement to show the risks. A risk management group has recently been established and internal audit will be part of this group so that any high-risk areas can be highlighted for inclusion within the annual audit plan.
	If such a risk management framework does not exist, has the CAE used his or her judgement of risks after input from senior management and the board and evidenced this?	✓			As above.
LGAN	Does the risk-based plan set out the: a) Audit work to be carried out? b) Respective priorities of those pieces of audit work?	✓ ✓			The risk-based plan details the audit work, which is required to be completed. The priority for carry out the work is determined based on the ranking with

Ref	Conformance with the Standard	Y	P	N	Evidence
	c) Estimated resources needed for the work?	✓			<p>the risk universe which is based on specific criteria in order to prioritise higher risk areas for the organisation.</p> <p>The resources needed to carry out the work is determined within the risk-based plan. Therefore, highlighting if further resources are required.</p>
LGAN	Does the risk-based plan differentiate between audit and other types of work?	✓			The risk based plan does differentiate between audits and other types of work based on the description given in the plan.
LGAN	Is the risk-based plan sufficiently flexible to reflect the changing risks and priorities of the organisation?	✓			The risk-based plan is set quarterly to allow for greater flexibility to allow for any changing risks and priorities of the organisation. Lower priority audits are identified so that if necessary these can be deferred in order to allow higher priority work to be carried out.
	Does the CAE review the plan on a regular basis and has he or she adjusted the plan when necessary in response to changes in the organisation's business, risks, operations, programmes, systems and controls?	✓			The CAE regular reviews the plan and updates it to show progress. If additional audit work is required then this is adjusted to be shown within the plan and is reported to L&GP committee at one of the quarterly update meetings.
	Is the internal audit activity's plan of engagements based on a documented risk assessment?	✓			A risk universe sets out the auditable activities within the Council and gives the activity a risk score. An internal control evaluation is carried out for

Ref	Conformance with the Standard	Y	P	N	Evidence
					each engagement to show the risks.
	Is the risk assessment used to develop the plan of engagements undertaken at least annually?	✓			The risk universe is reviewed annually and changes made where required.
LGAN	<p>In developing the risk-based plan, has the CAE also considered the following:</p> <p>a) Any declarations of interest (for the avoidance for conflicts of interest)?</p> <p>b) The requirement to use specialists, eg IT or contract and procurement auditors?</p> <p>c) Allowing contingency time to undertake ad hoc reviews or fraud investigations as necessary?</p>	<p>✓</p> <p>✓</p> <p>✓</p>			<p>Any declarations of interest are taken into account when allocating work.</p> <p>When developing the risk-based plan consideration is given to the need for specialists in order to help provide the assurance necessary.</p> <p>Contingency is allocated into the plan to allow for ad hoc work. However, with the plan being set quarterly changes can be made to the plan and the work can rollover onto the next quarter.</p>
	d) The time required to carry out the audit planning process effectively as well as regular reporting to and attendance of the board, the development of the annual report and the CAE opinion?	✓			Time for developing the audit plan and reporting to the board are factored into the audit plan at relevant times within the year. A table of the reporting times and what will be reported was provided to the Board and Senior Management.
	Is the input of senior management and the board considered in the risk assessment process?	✓			Senior management and the board input into the risk assessment process is considered.

Ref	Conformance with the Standard	Y	P	N	Evidence
	Does the CAE identify and consider the expectations of senior management, the board and other stakeholders for internal audit opinion and any other conclusions?	✓			The CAE identifies and considers the expectations of senior management, the board and stakeholders for audit opinions and other conclusions by consulting with senior management on the plan and reporting of the plan to the board.
	Does the CAE take into consideration any proposed consulting engagement's potential to improve the management of risks, to add value and to improve the organisation's operations before accepting them?	✓			Consultancy engagements are considered based on the potential level of improvement of risks, added value and improvement to the organisations operations.
	Are consulting engagements that have been accepted included in the risk-based plan?	✓			When consultancy engagements are accepted these are included on the audit plan.
	<i>2020 Communication and Approval</i>				
	Has the CAE communicated the internal audit activity's plans and resource requirements to senior management and the board for review and approval?	✓			The audit plan is discussed with relevant Heads of Service and the plan is agreed by Senior Management and the board annually prior to the start of the financial year.
	Has the CAE communicated any significant interim changes to the plan and/or resource requirements to senior management and the board for review and approval, where such changes have arisen?	✓			Any significant changes to the plan are approved by senior management. The board do not specifically approve the changes. However, the changes are communicated to them as part of the quarterly review.
	Has the CAE communicated the impact of any resource limitations to	✓			Resource limitations are discussed

Pack Page 50	Conformance with the Standard	Y	P	N	Evidence
	senior management and the board?				with Senior Management and additional resources agreed in order to achieve the plan of work required to provide appropriate assurance of controls and risks. This is then communicated to the board in the form of the annual audit plan.
	<i>2030 Resource Management</i>				
	Does the risk-based plan explain how internal audit's resource requirements have been assessed?	✓			The plan details how the resource requirements have been determined by detailing the number of days required to achieve the plan.
LGAN	Has the CAE planned the deployment of resources, especially the timing of engagements, in conjunction with management to minimise abortive work and time?	✓			The timing of work is determined in conjunction with management to ensure that where possible the audit is carried out is the most effective time of the year which ensures that management can provide sufficient time to the audit.
LGAN	<p>If the CAE believes that the level of agreed resources will impact adversely on the provision of the internal audit opinion, has he or she brought these consequences to the attention of the board?</p> <p>This may include an imbalance between the work plan and resource availability and/or other significant matters that jeopardise the delivery of the plan or require it to be changed.</p>	✓			The level of resources required are determined when developing the annual audit plan. If further resources are required in order to ensure that audit plan is fulfilled then this is highlighted to senior management and board as to the number of days required by contractors. If additional resources are not able to be brought in then the consequences are brought to the attention of senior management

Ref	Conformance with the Standard	Y	P	N	Evidence
					and the board.
	<i>2040 Policies and Procedures</i>				
	Has the CAE developed and put into place policies and procedures to guide the internal audit activity?		✓		Policies and procedures are in place to guide the internal audit activity however these are old and in need of updating to reflect improvements made over the years.
LGAN	Has the CAE established policies and procedures to guide staff in performing their duties in a manner than conforms to the PSIAS? Examples include maintaining an audit manual and/or using electronic management systems.		✓		As above
LGAN	Are the policies and procedures regularly reviewed and updated to reflect changes in working practices and standards?			✓	Due to resources, the policies and procedures are not regularly re-viewed. There are currently old and in need of updating.
	<i>2050 Coordination</i>				
	Does the risk-based plan include the approach to using other sources of assurance and any work that may be required to place reliance upon those sources?	✓			Activities are co-ordinated with the Systems thinking team, and corporate investigations officers to ensure that duplication of efforts is minimised. Information is also shared with external auditors so that they can review files and place reliance on our work. Where possible the internal audit activity is co-ordinated with the external auditors so that detailed walk through are carried out by them the year that

Pack Page 52	Conformance with the Standard	Y	P	N	Evidence
					internal audit are not scheduled to carry out an audit. Consideration is also given to if any other areas could be a source of assurance in which reliance could be placed.
LGAN	Has the CAE carried out an assurance mapping exercise as part of identifying and determining the approach to using other sources of assurance?	✓			An assurance mapping exercise has been carried out with the Hampshire Audit Managers group.
	Does the CAE share information and coordinate activities with other internal and external providers of assurance and consulting services?	✓			The CAE shares information with other internal and external providers of assurance when required.
LGAN	Does the CAE meet regularly with the nominated external audit representative to consult on and coordinate their respective audit plans?	✓			The CAE meets annually with the external audit representative in order to coordinate audit plans.
	<i>2060 Reporting to Senior Management and the Board</i>				
	Does the CAE report periodically to senior management and the board on the internal audit activity's purpose, authority, responsibility and performance relative to its plan?	✓			Performance against the audit plan is communicated to senior management and the board at quarterly meetings. The other areas are reported periodically to senior management and the board when the internal audit charter requires updating.
	Does the periodic reporting also include significant risk exposures and control issues, including fraud risks, governance issues and other matters needed or requested by senior management and the board?	✓			The periodic reports highlight any significant risk exposures and control issues, identified as part of the internal audit activity.

Ref	Conformance with the Standard	Y	P	N	Evidence
	Is the frequency and content of such reporting determined in discussion with senior management and the board and are they dependent on the importance of the information to be communicated and the urgency of the related actions to be taken by senior management or the board?	✓			Senior management and the board discuss the content of the periodical reports. The frequency of the reports are predetermined. However, if further reports were required to be made to senior management and the board then this can be arranged.
	<i>2070 External Service Provider and Organisational Responsibility for Internal Auditing</i>				
	Where an external internal audit service provider acts as the internal audit activity, does that provider ensure that the organisation is aware that the responsibility for maintaining and effective internal audit activity remains with the organisation?	✓			An external audit provider does not serve as the entire internal audit activity. However, external contractors are used for some audits but it is clear that it is the responsibility of RBC to maintain an effective internal audit activity.
	Does the internal audit activity evaluate and contribute to the improvement of the organisation's governance, risk management and internal control processes?	✓			Way forwards are discussed and agreed with in the auditee in order to contribute to the improvement of governance, risk management and control processes for every audit activity carried out. This is then followed up at a later stage to ensure action has been taken.
	Does the internal audit activity evaluate and contribute to the improvement of the above using a systematic and disciplined approach and is this evidenced?	✓			The internal audit activity does evaluate and contribute to the above using a systematic approach evidenced within the audit findings, working pa-

Ref	Conformance with the Standard	Y	P	N	Evidence
					pers, internal control evaluation and reports.
	<i>2110 Governance</i>				
	<p>Does the internal audit activity:</p> <p>a) Promote appropriate ethics and values within the organisation?</p> <p>b) Ensure effective organisational performance management and accountability?</p> <p>c) Communicate risk and control information to appropriate areas of the organisation?</p> <p>d) Coordinate the activities of and communicate information among the board, external and internal auditors and management?</p>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>			<p>Ethics and values are considered when reviewing areas and any weaknesses identified are looked to be addressed within the way forward to ensure that appropriate ethics and values are promoted. Furthermore, ethics and values are promoted within the governance policies within the Council.</p> <p>Organisational performance management and accountability are considered when carrying out audit activities.</p> <p>The internal audit activity communicates risk and control information to areas, which are audited, as well as being part of the risk management group where this is further communicated. When new systems or processes are implemented then internal audit activity communicate risk and control information to the project.</p> <p>Where possible activities are coordinated.</p>

Ref	Conformance with the Standard	Y	P	N	Evidence
	Does the internal audit activity assess and make appropriate recommendations for improving the governance process as part of accomplishing the above objectives?	✓			Appropriate recommendations are made within audit reports and improvements for the governance process form part of the annual governance statement.
	Has the internal audit activity evaluated the:				
	a) design			✓	The internal audit activity has not evaluated the organisation's ethics-related objectives, programmes and activities. This will be added to the audit plan in the future.
	b) implementation, and			✓	As above.
	c) effectiveness			✓	As above.
	of the organisation's ethics-related objectives, programmes and activities?				
	Has the internal audit activity assessed whether the organisation's information technology governance supports the organisation's strategies and objectives?	✓			Two IT audits are carried out annually by an external IT audit contractor.
LGAN	Has the CAE considered the proportionality of the amount of work required to assess the ethics and information technology governance of the organisation when developing the risk-based plan?		✓		The proportionality of work required to assess IT governance has been considered and included within the risk based plan. However, ethics has not previously been considered.
	<i>2120 Risk Management</i>				

Ref	Conformance with the Standard	Y	P	N	Evidence
	<p>Has the internal audit activity evaluated the effectiveness of the organisation's risk management processes by determining that:</p> <p>a) Organisational objectives support and align with the organisation's mission?</p> <p>b) Significant risks are identified and assessed?</p> <p>c) Appropriate risk responses are selected that align risks with the organisation's risk appetite?</p> <p>d) Relevant risk information is captured and communicated in a timely manner across the organisation, thus enabling the staff, management and the board to carry out their responsibilities?</p>			<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>	<p>The organisation's risk management processes have not been reviewed by the internal audit activity. Internal audit are now part of the risk management group for the organisation and consideration will be given if further work is required to evaluate the effectiveness of the risk management process.</p> <p>As above.</p> <p>As above.</p> <p>As above.</p>
	<p>Has the internal audit activity evaluated the risks relating to the organisation's governance, operations and information systems regarding the:</p> <p>a) Achievement of the organisation's strategic objectives?</p>	<p>✓</p>			<p>The CAE evaluates the risk exposures relating to the organisations governance, operations and information systems as part of the audit plan process. These areas are also further reviewed as part of the individual audits carried out.</p>

Ref	Conformance with the Standard	Y	P	N	Evidence
	b) Reliability and integrity of financial and operational information?	✓			The reliability and integrity of financial and operational information is reviewed and evaluated within audits carried out.
	c) Effectiveness and efficiency of operations and programmes?	✓			The effectiveness and efficiency of operations and programmes is reviewed and evaluated within audits carried out.
	d) Safeguarding of assets?	✓			The safeguarding of assets, physical and virtual, are reviewed and evaluated as part of audits carried out.
	e) Compliance with laws, regulations, policies, procedures and contracts?	✓			Compliance with relevant laws, regulations, policies, procedures and contracts are reviewed and evaluated as part of audits carried out.
	Has the internal audit activity evaluated the potential for fraud and also how the organisation itself manages fraud risk?	✓			Potential fraud risk and controls in place to mitigate this are evaluate for each engagement carried out. Recently the Corporate Investigations Officers have been appointed to carry out reviews of potential high fraud risk areas. A specific area for fraud is detailed within the audit plan.
Pack Page 57	Do internal auditors address risk during consulting engagements consistently with the objectives of the engagement?	✓			An internal control evaluation is carried out for each engagement in order to identify potential risks.
	Are internal auditors alert to other significant risks when undertaking consulting engagements?	✓			During engagements internal auditors are aware of other significant risks.

Ref	Conformance with the Standard	Y	P	N	Evidence
	Do internal auditors successfully avoid managing risks themselves, which would in effect lead to taking on management responsibility, when assisting management in establishing or improving risk management processes?	✓			Internal auditors refrain from assuming management responsibility for improving risk management processes by involving management in the process for agreeing a way forward for which they are assigned the responsibility to get it in place.
	<i>2130 Control</i>				
	<p>Has the internal audit activity evaluated the adequacy and effectiveness of controls in the organisation's governance, operations and information systems regarding the:</p> <p>a) Achievement of the organisation's strategic objectives?</p> <p>b) Reliability and integrity of financial and operational information?</p> <p>c) Effectiveness and efficiency of operations and programmes?</p> <p>d) Safeguarding of assets?</p>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>			<p>The adequacy and effectiveness of controls in response to the organisations risk exposure to its strategic objectives is evaluated within the individual audits carried out. The audits carried out are based on a review of organisational risk exposures.</p> <p>The reliability and integrity of financial and operational information is reviewed and controls evaluated within audits carried out.</p> <p>The effectiveness and efficiency of operations and programmes is reviewed and controls evaluated within audits carried out.</p> <p>The safeguarding of assets, physical and virtual, are reviewed and controls</p>

Ref	Conformance with the Standard	Y	P	N	Evidence
	e) Compliance with laws, regulations, policies, procedures and contracts?	✓			evaluated as part of audits carried out. Compliance with relevant laws, regulations, policies, procedures and contracts are reviewed and controls evaluated as part of audits carried out.
	Do internal auditors utilise knowledge of controls gained during consulting engagements when evaluating the organisation's control processes?	✓			Knowledge from all controls gained from consulting engagements are incorporated within the evaluation of the organisations control processes.
4.3	2200 Engagement Planning				
	Do internal auditors develop and document a plan for each engagement?	✓			An audit brief is developed for each audit engagement and signed off by the relevant Head of Service/ Auditee.
	Does the engagement plan include the engagement's: a) Objectives?	✓			Each engagement plan has an audit brief which details the objectives, scope, when the audit will commence and end, and who is carrying out the audit. The project schedule held on file details the timing when certain key stages are due to be completed by.
Pack Page 59	b) Scope?	✓			As above.
	c) Timing?	✓			As above.
	d) Resource allocations?	✓			As above.

Ref	Conformance with the Standard	Y	P	N	Evidence
	<p>Do internal auditors consider the following in planning an engagement, and is this documented:</p> <p>a) The objectives of the activity being reviewed?</p> <p>b) The means by which the activity controls its performance?</p> <p>c) The significant risks to the activity being audited?</p> <p>d) The activity's resources?</p> <p>e) The activity's operations?</p> <p>f) The means by which the potential impact of risk is kept to an acceptable level?</p>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>			<p>The objectives of the activity being reviewed are considered and documented within the audit brief and final report.</p> <p>Controls are considered and documented as part of the internal control evaluation sheet completed, throughout testing and within the final report.</p> <p>The risks are considered as part of the internal control evaluation sheet and feed into the testing carried out. Significant risks not adequately controlled are highlighted within the final report.</p> <p>The resources considered when considering cost vs benefit for control tests carried out.</p> <p>The operations of the activity is considered within the audit brief detailing the scope of work and the tests carried out.</p> <p>The means by which potential impact of risk is mitigated is detailed and considered within the internal control evaluation sheet and the tests carried out.</p>

Ref	Conformance with the Standard	Y	P	N	Evidence
	g) The adequacy and effectiveness of the activity's governance, risk management and control processes compared to a relevant framework or model?	✓			The adequacy and effectiveness of the activity's governance, risk management and control processes is reviewed once testing has been completed and reported on within the final report.
	h) The opportunities for making significant improvements to the activity's governance, risk management and control processes?	✓			The opportunity for making significant improvements to processes is considered throughout testing and reported within the final report.
	Where an engagement plan has been drawn up for an audit to a party outside of the organisation, have the internal auditors established a written understanding with that party about the following: a) Objectives? b) Scope?	N/A N/A			Engagements are not carried out for parties outside the organisation. As above.
	c) The respective responsibilities and other expectations of the internal auditors and the outside party (including restrictions on distribution of the results of the engagement and access to engagement records)?	N/A			As above.
Pack Page 61	For consulting engagements, have internal auditors established an understanding with the engagement clients about the following: a) Objectives?	✓			The objectives, scope and client expectation would be discussed at the opening meeting with the client. The details would also be recorded in the

Ref	Conformance with the Standard	Y	P	N	Evidence
	b) Scope? c) The respective responsibilities of the internal auditors and the client and other client expectations?	 ✓ ✓			audit brief or project scope. As above. As above.
	For significant consulting engagements, has this understanding been documented?	✓			An audit brief or project scope would be developed and documented.
	<i>2210 Engagement Objectives</i>				
	Have objectives been agreed for each engagement?	✓			The objectives for each engagement is established within the audit brief and agreed with the auditee prior to the engagement commencing.
	Have internal auditors carried out a preliminary risk assessment of the activity under review?	✓			An Internal Control Evaluation is carried out for each engagement prior to the engagement commencing. This helps to focus on key potential risk areas within the activity being reviewed.
	Do the engagement objectives reflect the results of the preliminary risk assessment that has been carried out?	✓			The assessments carried out help to form the objectives of the engagement.
	Have internal auditors considered the probability of the following, when developing the engagement objectives:				All of these elements are considered as part of the planning stage of the audit and with some discussion with the auditee.

Ref	Conformance with the Standard	Y	P	N	Evidence
	a) Significant errors?	✓			Significant errors are considered within the internal control evaluation sheet which feeds into the testing.
	b) Fraud?	✓			Fraud is considered within the internal control evaluation sheet and throughout testing.
	c) Non-compliance?	✓			Non-compliance is considered within the internal control evaluation sheet and throughout testing.
	d) Any other risks?	✓			All other risks are considered within the internal control evaluation sheet.
	Have internal auditors ascertained whether management and/or the board have established adequate criteria to evaluate and determine whether objectives and goals have been accomplished?	✓			Reports to the Board are done to demonstrate if objectives and goals have been accomplished.
	If the criteria have been deemed adequate, have the internal auditors used the criteria in their evaluation of governance, risk management and controls?	✓			Objective criteria is used within the audit brief and reports to evaluate the governance, risk management and controls.
	If the criteria have been deemed inadequate, have the internal auditors worked with management and/or the board to develop appropriate evaluation criteria?	✓			Internal auditors work with management to establish a way forward to address any inadequacies and schedule in follow ups to ensure action is taken.
	If the value for money criteria have been referred to, has the use of all the organisation's main types of resources been considered; including money, people and assets?	✓			When taking into account value for money all main type of resources are considered.

Pack Page 64	Conformance with the Standard	Y	P	N	Evidence
	Do the objectives set for consulting engagements address governance, risk management and control processes as agreed with the client?	✓			Objectives of the consulting engagements address governance, risk management and control processes as detailed within the audit brief.
	Are the objectives set for consulting engagements consistent with the organisation's own values, strategies and objectives?	✓			All engagements fit with the Council's 8 point plan and are discussed with Senior Management.
	<i>2220 Engagement Scope</i>				
	Is the scope that is established for the engagement sufficient to satisfy the engagement's objectives?	✓			The scope is determined by the internal auditor to ensure that it will satisfy the objectives of the audit. Internal auditors are sufficiently experienced to adequately determine the scope which will sufficiently satisfy the audit objectives. This is reviewed with the auditee prior to the audit commencing.
	<p>Does the engagement scope include consideration of the following relevant areas of the organisation:</p> <p>a) Systems?</p> <p>b) Records?</p> <p>c) Personnel?</p> <p>d) Premises?</p>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>			<p>All of these areas are considered as part of the development of the audit brief, which details the scope, Internal Control Evaluation and the test list.</p> <p>As above.</p> <p>As above.</p> <p>As above.</p> <p>As above.</p>

Ref	Conformance with the Standard	Y	P	N	Evidence
	Does the engagement scope include consideration of the following relevant areas under the control of outside parties, where appropriate: a) Systems? b) Records? c) Personnel? d) Premises?	✓ ✓ ✓ ✓			All of these areas are considered as part of the development of the audit brief, which details the scope, Internal Control Evaluation and the test list. As above. As above. As above. As above.
	Where significant consulting opportunities have arisen during an assurance engagement, was a specific written understanding as to the objectives, scope, respective responsibilities and other expectations drawn up?	✓			A written understanding of the objectives, scope and responsibilities is carried out. This is documented within an audit brief and communicated with the relevant Head of Service.
	Where significant consulting opportunities have arisen during an assurance engagement, were the results of the subsequent engagement communicated in accordance with the relevant consulting Standards?	✓			As above.
	For a consulting engagement, was the scope of the engagement sufficient to address any agreed-upon objectives?	✓			The scope of the consulting engagement is linked to the agreed objectives. However, the scope is not always formally documented.
	If the internal auditors developed any reservations about the scope of a consulting engagement while undertaking that engagement, did they discuss those reservations with the client and therefore determine	✓			If reservations about the scope during the engagement are established then the internal auditor will discuss this with the client and potentially senior

Pack Page 66	Conformance with the Standard	Y	P	N	Evidence
	whether or not to continue with the engagement?				management. Details would be recorded within the file.
66	During consulting engagements, did internal auditors address the controls that are consistent with the objectives of those engagements?	✓			Controls are reviewed in line with the test list developed at the planning stage and auditors are alert to any significant control issues.
	During consulting engagements, were internal auditors alert to any significant control issues?	✓			Internal auditors are alert to any significant control issues which would be highlighted if necessary.
	<i>2230 Engagement Resource Allocation</i>				
	<p>Have internal auditors decided upon the appropriate and sufficient level of resources required to achieve the objectives of the engagement based on:</p> <p>a) The nature and complexity of each individual engagement?</p> <p>b) Any time constraints?</p> <p>c) The resources available?</p>	<p>✓</p> <p>✓</p> <p>✓</p>			<p>Resources requirements are determined during the annual audit plan to ensure that they are sufficient. If further resources are identified as being required while carrying out the engagement then this is discussed with the CAE.</p> <p>As above.</p> <p>As above.</p> <p>As above.</p>
	<i>2240 Engagement Work Programme</i>				

Ref	Conformance with the Standard	Y	P	N	Evidence
	Have internal auditors developed and documented work programmes that achieve the engagement objectives?	✓			As part of the planning stage a test list is developed which links to the scope and objectives of the audit activity to ensure the engagement objectives are achieved.
	<p>Do the engagement work programmes include the following procedures for:</p> <p>a) Identifying information?</p> <p>b) Analysing information?</p> <p>c) Evaluating information?</p> <p>d) Documenting information?</p>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>			<p>The test list details what is required for the test and the test findings sheets detail what work was carried out for example where information was obtained from, how the information was evaluated. All details of findings are also documented within the test findings sheet.</p> <p>As above.</p> <p>As above.</p> <p>As above.</p>
Pack Page 67	Were work programmes approved prior to implementation for each engagement?	✓			The overall work programme is agreed by senior management and the board prior to its implementation. Due to the team being small the detail for the individual work programmes is only approved by the auditee in terms of the scope of work and timings for the work to be completed. The CAE does not review the detail of all tests being carried out by the auditor. How-

Ref	Conformance with the Standard	Y	P	N	Evidence
					ever the auditor is experienced to make these judgements. Contractors work programmes are reviewed prior to implementation to ensure that the areas required by the Council are covered.
	Were any adjustments required to work programmes approved promptly?	✓			Any adjustments to work programmes are promptly approved where necessary.
	<p>Have internal auditors carried out the following in order to achieve each engagement's objectives:</p> <p>a) Identify sufficient information?</p> <p>b) Analyse sufficient information?</p> <p>c) Evaluate sufficient information?</p>	<p>✓</p> <p>✓</p> <p>✓</p>			<p>All information is documented within the test findings sheet relevant to the test shown on the test list. Sufficient information is obtained in order to achieve the test objectives which link to the overall objectives of the audit. All evidence to support findings are held within the test finding sheets.</p> <p>As above.</p> <p>As above.</p>
	d) Document sufficient information?	✓			As above.
	<i>2310 Identifying Information</i>				

Ref	Conformance with the Standard	Y	P	N	Evidence
	<p>Have internal auditors identified the following in order to achieve each engagement's objectives:</p> <p>a) Sufficient information?</p> <p>b) Reliable information?</p> <p>c) Relevant information?</p> <p>d) Useful information?</p>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>			<p>Internal auditors identify sufficient, reliable, relevant and useful information as part of the planning process for the engagement to ensure that the engagement objectives can be achieved. Where possible information is obtained from the primary source.</p> <p>As above.</p> <p>As above.</p> <p>As above.</p> <p>As above.</p>
	<i>2320 Analysis and Evaluation</i>				
	Have internal auditors based their conclusions and engagement results on appropriate analyses and evaluations?	✓			Test findings detail the evaluations and analyses carried out in order to reach the conclusions. Within the test findings any recommendations are highlighted.
LGAN	<p>Have internal auditors remained alert to the possibility of the following:</p> <p>a) intentional wrongdoing</p>	✓			Any intentional wrongdoing is considered when errors or omissions are identified. If necessary these are reported to senior management and the board as well as within the final report.

Ref	Conformance with the Standard	Y	P	N	Evidence
	b) errors and omissions c) poor value for money d) failure to comply with management policy, and e) conflicts of interest	✓ ✓ ✓ ✓			Testing carried out should pick up any errors and omissions which will be documented within the test findings and if necessary included within the final report. Poor value for money is considered within the testing where necessary. Non compliance with policies is reviewed in most audits and findings documented. Conflicts of interest are considered and if necessary documented and included within the final report.
	when performing their individual audits, and has this been documented?				
	<i>2330 Documenting Information</i>				
	Have internal auditors documented the relevant information required to support engagement conclusions and results?	✓			Test finding sheets document the information obtained and conclude on the findings of the test. Working papers are obtained to support the details within the test findings.
LGAN	Are working papers sufficiently complete and detailed to enable another experienced internal auditor with no previous connection with the audit to ascertain what work was performed, to re-perform it if necessary and to support the conclusions reached?	✓			Working papers are comprehensive enough for an independent person to follow. Details of the work carried out are shown within the test findings sheet along with details of the findings. A walk through of one of the

Ref	Conformance with the Standard	Y	P	N	Evidence
					sample is documented with working papers and if any issues identified then these are shown with further working papers to support.
	Does the CAE control access to engagement records?	✓			Engagement records are held electronically and in paper format. Electronic records are only accessible by the internal audit activity. Paper formats are held in lockable cabinets. Access required to these are controlled by the CAE.
	Has the CAE obtained the approval of senior management and/or legal counsel as appropriate before releasing such records to external parties?	✓			Records are only released to external auditors however if they were required to be released to other external parties then approval of senior management would be obtained prior to this being carried out.
	Has the CAE developed and implemented retention requirements for all types of engagement records?	✓			The retention guidelines are part of the organisations guidelines for the retention of records.
	Are the retention requirements for engagement records consistent with the organisation's own guidelines as well as any relevant regulatory or other requirements?	✓			Data retention guidelines are in place and documents are released in line with guidance from the Data Protection Officer.
	<i>2340 Engagement Supervision</i>				
	Are all engagements properly supervised to ensure that objectives are achieved, quality is assured and that staff are developed?	✓			Contractors files are reviewed to ensure that the objectives are achieved and the quality is assured. Due to

Ref	Conformance with the Standard	Y	P	N	Evidence
					constraints the chief audit executive currently does not fully review the in house auditors work but does review the reports issued. However, fortnightly 1 to 1 meetings are had to review work or discuss any issues.
	Is appropriate evidence of supervision documented and retained for each engagement?	✓			Reviews carried out are documented and held within the relevant engagement file.
4.5	2400 Communicating Results				
	Do internal auditors communicate the results of engagements?	✓			Results of the engagement are communicated with the auditee. A report is produced detailing the results of the engagement. This is issued out to the auditee, relevant Heads of Service, Senior Management and a summary is taken to board for review quarterly.
	<i>2410 Criteria for Communicating</i>				
	Do the communications of engagement results include the following: a) The engagement's objectives? b) The scope of the engagement?	✓ ✓			Objectives, scope, conclusions, recommendations and action plans are detailed within the engagement report. As above. NB: The scope has only recently been re-introduced onto the audit reports after it was removed to make the reports more concise.

Ref	Conformance with the Standard	Y	P	N	Evidence
	c) Applicable conclusions?	✓			As above
	d) Recommendations and action plans, if appropriate?	✓			As above.
LGAN	Has the internal auditor discussed the contents of the draft final report with the appropriate levels of management to confirm factual accuracy, seek comments and confirm the agreed management actions?	✓			The draft final report is discussed with the appropriate head of service and manager prior to it being issued as a final. If necessary the report will also be discussed with senior management.
LGAN	If recommendations and an action plan have been included, are recommendations prioritised according to risk?		✓		Key recommendations are stated within the way forward in the report any other minor points are raised at the wash up meeting with the auditee. However, they are not specifically highlighted as high, medium or low risk.
LGAN	If recommendations and an action plan have been included, does the communication also state agreements already reached with management, together with appropriate timescales?	✓			The person responsible for implementing the way forward is named within the way forward and where possible a timeframe is noted.
LGAN	If there are any areas of disagreement between the internal auditor and management, which cannot be resolved by discussion, are these recorded in the action plan and the residual risk highlighted?	✓			If management do not agree with an areas a management comment is made within the report and the risk are highlighted.
LGAN	Do communications disclose all material facts known to them in their audit reports which, if not disclosed, could distort their reports or conceal unlawful practice, subject to confidentiality requirements?	✓			All material facts are communicated within the report to ensure that a true reflection is given of the findings within the area audited.

Pack Ref	Conformance with the Standard	Y	P	N	Evidence
GAN Page 74	Do the final communications of engagement results contain, where appropriate, the internal auditor's opinions and/or conclusions, building up to the annual internal audit opinion on the control environment?	✓			All opinions obtained from the audits carried out are used to determine the annual internal audit opinion of the control environment.
	When an opinion or conclusion is issued, are the expectations of senior management, the board and other stakeholders taken into account?	✓			The expectations of senior management and the board are taken into account when opinions or conclusions are communicated to ensure that it links to the strategic objectives of the Council.
	When an opinion or conclusion is issued, is it supported by sufficient, reliable, relevant and useful information?	✓			Test findings support the conclusions/opinions made within the audit reports. The information is sufficient, useful and relevant to ensure that the test objectives are met. It is also reliable as primary source information is obtained.
	Where appropriate, do engagement communications acknowledge satisfactory performance of the activity in question?	✓			Where satisfactory performance is identified this is acknowledged to the auditee, within test findings and within the audit report.
	When engagement results have been released to parties outside of the organisation, does the communication include limitations on the distribution and use of the results?			✓	Engagement results are only released to external auditors. However, no limits on distributions or use of the results are communicated when these are released.
LGAN	If the CAE has been required to provide assurance to other partnership organisations, has he or she also demonstrated that their	N/A			The CAE has not been required to provide assurance to other partnership organisations.

Ref	Conformance with the Standard	Y	P	N	Evidence
	fundamental responsibility is to the management of the organisation to which they are obliged to provide internal audit services?				
	<i>2420 Quality of Communications</i>				
	Are communications:				Communications are faithful to the underlying facts, fair impartial and unbiased, written in clear language, concise so key points are easy to identify, constructive for way forwards, complete and presented within the timeframe agreed at the start of the audit or updated time during the audit.
	a) Accurate?	✓			As above.
	b) Objective?	✓			As above.
	c) Clear?	✓			As above.
	d) Concise?	✓			As above.
	e) Constructive?	✓			As above.
	f) Complete?	✓			As above.
	g) Timely?	✓			As above.
	<i>2421 Errors and Omissions</i>				
	If a final communication has contained a significant error or omission,	N/A			This has not occurred however if it

Pack Page 76	Conformance with the Standard	Y	P	N	Evidence
	did the CAE communicate the corrected information to all parties who received the original communication?				was to then the CAE would communicate the corrected information to all parties who received the original communication.
	<i>2430 Use of 'Conducted in Conformance with the International Standards for the Professional Practice of Internal Auditing'</i>				
	Do internal auditors report that engagements are ' <i>conducted in conformance with the PSIAS</i> ' only if the results of the QAIP support such a statement?		✓		Work is currently under way to ensure that the standards are conformed with. However, the old CIPFA standards were conformed with.
	<i>2431 Engagement Disclosure of Nonconformance</i>				
	<p>Where any non-conformance with the PSIAS has impacted on a specific engagement, do the communication of the results disclose the following:</p> <p>a) The principle or rule of conduct of the <i>Code of Ethics</i> or <i>Standard(s)</i> with which full conformance was not achieved?</p> <p>b) The reason(s) for non-conformance?</p> <p>c) The impact of non-conformance on the engagement and the engagement results?</p>	N/A			Non-conformance with the PSIAS have not impacted on a specific engagement. However, if it had then this would be communicated within the audit report.
	<i>2440 Disseminating Results</i>				
	Has the CAE determined the circulation of audit reports within the	✓			The circulation list for the audit reports have been determined as being

Ref	Conformance with the Standard	Y	P	N	Evidence
	organisation, bearing in mind confidentiality and legislative requirements?				senior management and the relevant managers within the area being audited. External audit are also given a copy of the report when required and the board are given an overview of the reports at committee meetings as part of a quarterly update.
	Has the CAE communicated engagement results to all appropriate parties?	✓			Results are communicated to the auditee, senior management, the board, external auditors where necessary and any other relevant parties who may be affected or impacted by the findings and way forward agreed, for example the section 151 officer.
	Before releasing engagement results to parties outside the organisation, did the CAE:				Results are communicated within reports which are approved by senior management. Although not specifically released to parties outside the organisation the summary of the reports are available online for the public to view once approved. Where sensitive issues are reported these are not made available online for the public.
	a) Assess the potential risk to the organisation?	✓			As above.
	b) Consult with senior management and/or legal counsel as appropriate?	✓			As above.
	c) Control dissemination by restricting the use of the results?	✓			As above.

Pack Page 78	Conformance with the Standard	Y	P	N	Evidence
	Where any significant governance, risk management and control issues were identified during consulting engagements, were these communicated to senior management and the board?	✓			Results of consulting engagements are communicated to senior management and the board highlighting any significant findings.
	<i>2450 Overall Opinion</i>				
	Has the CAE delivered an annual internal audit opinion?	✓			The CAE delivers an annual internal audit opinion to the board in June every year.
	Does the annual internal audit opinion conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control?	✓			The internal audit opinion concludes on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control which is reported to senior management and the board.
	Does the annual internal audit opinion take into account the expectations of senior management, the board and other stakeholders?	✓			The overall opinion does take into account the expectations of senior management, the board and other stakeholders. The opinion is based on the assurance obtained through the work on the audit plan. The opinion is reported to senior management and the board annually.
	Is the annual internal audit opinion supported by sufficient, reliable, relevant and useful information?	✓			The opinion is supported by the evidence from the audits carried out in the financial year. This evidence is sufficient, relevant and useful as the audit plan is developed to ensure that the audits in the year cover sufficient areas to allow for an appropriate audit

Ref	Conformance with the Standard	Y	P	N	Evidence
					opinion to be made. The evidence from the audits is reliable.
	Does the communication identify the following: a) The scope of the opinion, including the time period to which the opinion relates? b) Any scope limitations? c) The consideration of all related projects including the reliance on other assurance providers? d) The risk or control framework or other criteria used as a basis for the overall opinion?	✓ ✓ ✓ ✓			The overall opinion reached is shown within the audit opinion along with all other elements detailed. As above. As above. As above. As above.
	Where a qualified or unfavourable annual internal audit opinion is given, are the reasons for that opinion stated?	N/A			A qualified or unfavourable annual internal audit opinion has not been given. However, if it was given then a reason for that opinion would be provided.
	Has the CAE delivered an annual report that can be used by the organisation to inform its governance statement?	✓			An annual report is delivered by the CAE to give the opinion on the control environment. This report can be used to inform the Council's governance statement.
	Does the annual report incorporate the following: a) The annual internal audit opinion?	✓			The annual report includes the inter-

Ref	Conformance with the Standard	Y	P	N	Evidence
Pack Page 80 GAN	b) A summary of the work that supports the opinion?	✓			nal audit opinion. The report does not specifically include a summary of the work that supports the opinion however, in order to reach the opinion the CAE reviews all audit report completed within the year. A summary of the work that supports the opinion is provided.
	c) A disclosure of any qualifications to the opinion?	✓			A disclosure of qualification to the opinion would be included if necessary along with the reason for that opinion.
	d) The reasons for any qualifications to the opinion?	✓			As above.
LGAN	e) A disclosure of any impairments or restriction in scope?	✓			This is included within the audit opinion.
LGAN	f) A comparison or work actually carried out with the work planned?	✓			A comparison of work carried out against work planned is provided along with reasons for the changes to the work originally planned.
	g) A statement on conformance with the PSIAS?	✓			A statement of the conformance with PSIAS is included along with a breakdown of the number of areas in which fully, partial or no compliance has been achieved.
LGAN	h) The results of the QAIP?	✓			The results of the QAIP are reported within the report along with any work carried out towards the QAIP.

Ref	Conformance with the Standard	Y	P	N	Evidence
LGAN	i) Progress against any improvement plans resulting from the QAIP?	✓			As above.
LGAN	j) A summary of the performance of the internal audit activity against its performance measures and targets?	✓			A summary of the performance of the internal audit activity against its performance measures is shown within the report.
	k) Any other issues that the CAE judges is relevant to the preparation of the governance statement?	✓			The CAE would include any issues relevant to the preparation of the governance statement.
4.6	2500 Monitoring Progress				
	Has the CAE established a process to monitor and follow up management actions to ensure that they have been effectively implemented or that senior management have accepted the risk of not taking action?	✓			Follow ups to monitor actions agreed by management to be implemented, are scheduled into the audit plan after 6 months of the audit being completed. For key financial systems these actions are followed up as part of the next audit carried out. If management have accepted the risk of not taking action then this is noted within the audit report and highlighted to senior management when the report is issued.
	Where issues have during the follow-up process, has the CAE considered revising the internal audit opinion?	✓			No major issues have been identified during the follow up process. However, if significant issues were identified then the CAE would consider revising the internal audit opinion if necessary. This would be communicated to senior management and the board.

Pack Page 82	Conformance with the Standard	Y	P	N	Evidence
	Do the results of monitoring management actions inform the risk-based planning of future audit work?	✓			Monitoring of management actions does inform the risk-based planning of future audit work as further audits may be carried out if actions not appropriate or concerns with the management.
	Does the internal audit activity monitor the results of consulting engagements as agreed with the client?	✓			The outcome of consulting engagements are reviewed to ensure that they meet the purpose as agreed with the client.
4.7	2600 Communicating the Acceptance of Risks				
	If the CAE has concluded that management has accepted a level of risk that may be unacceptable to the organisation, has he or she discussed the matter with senior management?	✓			If management has accepted a risk which may be unacceptable to the organisation then this is highlighted within the audit report and the chief audit executive raises this separately with senior management.
	If, after discussion with senior management, the CAE continues to conclude that the level of risk may be unacceptable to the organisation, has he or she communicated the situation to the board?	✓			Although this has never occurred, if necessary the matter would be taken and highlighted to board if the chief audit executive determines that the matter has not been resolved.

**LICENSING AND GENERAL PURPOSES HEAD OF FINANCIAL SERVICES
COMMITTEE REPORT NO. FIN1720
25TH MAY 2017**

ACCOUNTING POLICIES AND RELATED MATTERS FOR THE YEAR 2016/17

SUMMARY AND RECOMMENDATIONS:

SUMMARY: This report reviews the proposed accounting policies to be applied for the closure of the 2016/17 accounts. These are prepared in line with CIPFA's Code of Practice on Local Authority Accounting in the UK 2016/17 (the Code). Adopting the policies supports timely and robust production of a high-quality set of annual accounts. In addition, this report notifies members of the nature of updated disclosures required, reviews the internal level of materiality and provides information about a prior period adjustment to be contained in the 2016/17 statement of accounts.

RECOMMENDATION:

- (i) Licensing and General Purposes Committee adopt the accounting policies including the amendment disclosed at Appendix 1 for closure of the 2016/17 Accounts
- (ii) The Committee notes the updated disclosures, internal level of materiality and information relating to a prior period adjustment to be made in the statement of accounts for 2016/17.

1 INTRODUCTION

1.1 As part of its statement of accounts, the Council needs to disclose the accounting policies it has applied to all material balances and transactions. This process is described in the Code as proper accounting practices and the Council has limited discretion. In relation to the financial year 2016/17 there have only been minor changes in the Code in relation to accounting policies that are relevant to the Council. Accounting policies are discussed at Section 2 of this report.

1.2 Other items for the committee to note are provided at:

Section of this report

- 3 Updated disclosure requirements
- 4 Materiality
- 5 Prior period adjustment

2 ACCOUNTING POLICIES

2.1 The accounting policies have not changed compared to the policies applied for the previous financial year (2015/16), other than for the following reasons:

- (a) Policy number xviii - Overheads and Support Services. The Council will produce the Statement of Accounts for 2016/17 containing service expenditure and income based on the style of the Portfolio analysis utilised for the ongoing quarterly revenue monitoring purposes throughout the financial year.

The costing **principles** of CIPFA's Service expenditure reporting Code of Practice (SerCOP) continue to apply for 2016/17 and future years, but the information provided in regular monitoring disclosures during the financial year and the Statement of Accounts now present disclosures in Rushmoor's own reporting style. Policy number xviii - Overheads and Support Services therefore requires some modest amendment for application in 2016/17 and future years.

Appendix 1 provides detail of this updated accounting policy.

- (b) Date references relating to the financial year 2016/17 applicable to some of the accounting policies have been updated

2.2 The entire set of accounting policies applied for the year 2016/17 remain as per the previous financial year, and apart from changes disclosed at paragraph 2.1 there are no other modifications or amendments required. These accounting policies do not depart from the provisions of the 2016/17 Code.

2.3 There will be adjustments to the appearance of the accounts in relation to the changes regarding the following statements:

- Comprehensive Income and Expenditure (CI & E), &
- Movement in Reserves

& the introduction of the following new statement:

- Expenditure and Funding Analysis (EFA)

2.4 Each of the above items are discussed in Section 3 of this report. None of the changes have any direct effect on the underlying accounting policies of the Council.

3 UPDATED DISCLOSURE REQUIREMENTS FOR 2016/17

3.1 CIPFA has been working on the 'Telling the Story' project, which aims to streamline the financial statements and improve accessibility to the user. This

has resulted in changes to CIPFA's 2016/17 Code of Practice on Local Authority Accounting in the United Kingdom ('the Code').

- 3.2 The presentation of the CI & E Statement for 2016/17 has been revised so that this will better reflect how the Council is structured and manages its resources. This is a change from previous financial years where the format of the CI & E statement followed a national standard for service expenditure (Service Reporting Code of Practice (SerCOP)).
- 3.3 In addition, a new EFA Statement is introduced for 2016/17. This statement will reconcile the movement on the General Fund balance to the Surplus or Deficit on Provision of Services contained within the body of the CI & E. It explains the statutory adjustments made to figures calculated in line with International Financial Reporting Standards (IFRS). Although these disclosures already existed within the accounts, the proposed changes are designed to help make the accounts clearer for readers.
- 3.4 Other changes have been made to streamline the current Movement in Reserves Statement (MIRS) in order to report Total Comprehensive Income and Expenditure (previously shown as Surplus and Deficit on the Provision of Services and Other Comprehensive Income and Expenditure lines) and removal of the earmarked reserves column. CIPFA highlight that earmarked reserves transfer in & out entirely to the General Fund. Reference to the General Fund in the Statement of Accounts 2016/17 will therefore include the value of Earmarked Reserves related to the General Fund.

4 MATERIALITY

- 4.1 On 28th May 2015 the Licensing and General Purposes committee approved an agenda item entitled "Financial Statements – Decluttering the accounts". This paper discussed that the majority of the existing disclosures are requirements laid down in the CIPFA Accounting Code of Practice (ACOP), but there remains some scope within the 'decluttering' agenda to rationalise what information is included in the statements.
- 4.2 In addition, the report discussed the internal level of materiality that members recommended for the preparation of each year's statement of accounts. The committee approved the application of a de-minimus level of materiality of 1% of total Net Assets/Reserves (measured at the start of the financial year) regarding the preparation of the statement of accounts. For 2016/17 the committee should note this amount is marginally increased to £622,000.
- 4.3 Members should however note that the materiality threshold may be lower, for example for common transactions and outcomes where materiality judgements are usually particularly sensitive. These include:

Transactions with related parties

Sensitive matters, such as fraud and non-compliance with law

Unusual or non-recurring transactions/balances

- 4.4 The Finance Accountancy team have reviewed the statement of accounts for 2016/17 currently under preparation against the above stated level of materiality and its content remains the same when compared to recent years.

5 PRIOR PERIOD ADJUSTMENT

- 5.1 After the conclusion of the external audit of the Council's 2015/16 statement of accounts, section 106 contributions to be obtained from an external developer were secured by contract during that financial year. The amount that the developer is contractually bound to pay the Council over a seven year period amounts to £3m.
- 5.1 This amount exceeds the level of materiality set for the Council by its external auditor and for this reason the accounts preparation for 2016/17 will contain a prior period adjustment in relation to balances at the end of 2015/16 (31st March 2016).
- 5.2 The prior period adjustment will amend the following balances at the end of 2015/16 by the introduction of a £3.0m debtor into the upper half of the balance sheet coupled with a related unpaid (conditions met) income amount of £3.0m on the lower half of the balance sheet

Balance Sheet Section

Upper half of balance sheet	Add a debtor amounting to £3.0m
Lower half of balance sheet	Add £3.0m "conditions met" income
	Utilise the additional income to discharge £1.4m debt in relation to 2015/16 capital expenditure for Activation Aldershot

- 5.3 The "conditions met" contribution income will pass in & out of the CI & E affecting the total cost of continuing services but has no financial effect on the Council's in-year General Fund. As at the end of the financial year 2015/16 no element of the debt has been discharged in cash from the external contractor, who is liable to successively repay elements of the debt over a 7-year period starting in 2016/17.

6 CONCLUSION

- 6.1 This report states the accounting policies, informs members of additional/amended disclosures, the level of internal materiality to be applied and notification of a prior period adjustment that are to be contained in the statement of accounts for 2016/17.

AMANDA FAHEY
HEAD OF FINANCIAL SERVICES

Minor amendments are presented for the accounting policy stated below in order for it to accommodate changes in reporting practice and style required for the Council’s Statement of Accounts for 2016/17

xviii. Overheads and Support Services (for application to the 2016/17 accounts)

The costs of overheads and support services are charged to those that benefit from the supply or service in accordance with the costing principles of the CIPFA Service Reporting Code of Practice 2016/17 (SerCOP).

Support services represent the cost of individual services provided within the Council to the organisation as a whole, such as Information Technology, Financial Services and Personnel. They are charged out to direct services by way of Service Level Agreements (SLAs) that are negotiated between departments that are responsible for delivering and using support services.

All costs of management and administration are allocated to Direct Services, with the exception of “Corporate and Democratic Core” – costs relating to the Council’s status as a multifunctional, democratic organisation, & “Non Distributed Costs” – the cost of discretionary benefits awarded to employees retiring early and impairment losses chargeable on non-operational properties.

These two cost categories are as defined in the SerCOP and included within the Council’s Corporate Services Portfolio contained within the Comprehensive Income and Expenditure Statement, as part of “Cost of services – continuing operations”, and within the Expenditure & Funding Analysis as “Net cost of services”.

The above accounting policy was PREVIOUSLY stated as below:

xviii. Overheads and Support Services

The costs of overheads and support services are charged to those that benefit from the supply or service in accordance with the costing principles of the CIPFA Service Reporting Code of Practice 2015/16 (SERCOP).

Support services represent the cost of individual services provided within the Council to the organisation as a whole, such as Information Technology, Financial Services and Personnel. They are charged out to direct services by way of Service Level Agreements (SLAs) that are negotiated between departments that are responsible for delivering and using support services.

All costs of management and administration are allocated to Direct Services, with the exception of:

- Corporate and Democratic Core – costs relating to the Council’s status as a multifunctional, democratic organisation.
- Non Distributed Costs – the cost of discretionary benefits awarded to employees retiring early and impairment losses chargeable on non-operational properties.

These two cost categories are defined in the Service Reporting Code of Practice and accounted for as separate headings in the Comprehensive Income and Expenditure Statement, as part of Net Expenditure on Continuing Services.

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NOMINATIONS FOR COUNCIL REPRESENTATION ON OUTSIDE BODIES 2017/18

NOTE: Appointments to outside bodies reflect political balance where there are four or more representatives, subject to the body's constitution

	NAME OF ORGANISATION	FREQUENCY AND TIME OF MEETINGS/VENUE	REPRESENTATIVE(S) 2016/17	MEMBERSHIP	NOMINATED REPRESENTATIVES 2017/18
1	Age Concern, Farnborough	Venue - RVS Offices, Elles Hall Frequency - Every 2 months Day – Monday Time – Mornings	Cr. Liz Corps Cr. L.A. Taylor Cr. Jacqui Vosper	Three Members	Cr. Liz Corps Cr. L.A. Taylor Cr. Jacqui Vosper
2	Aldershot & Farnborough Festival of Music & Art	Venues – Schools and Church Halls in Rushmoor Frequency - (i) Weekends in April and May for competitions (ii) AGM in November (iii) 3 committee meetings during the year	Cr. D.M.T. Bell Cr. Jennifer Evans, Cr. K.H. Muschamp	Three Members (one from each Political Group)	Cr. D.M.T. Bell Cr. Jennifer Evans, Cr. K.H. Muschamp
3	Aldershot Military Museum Strategic Local Agreement Meeting	Venue – Aldershot Military Museum Frequency – Once a year Time – daytime	Cr. Mrs. D.B. Bedford Cr. B. Jones	Two Members	Cr. Mrs. D.B. Bedford Cr. B. Jones

Pack Page 90	NAME OF ORGANISATION	FREQUENCY AND TIME OF MEETINGS/VENUE	REPRESENTATIVE(S) 2016/17	MEMBERSHIP	NOMINATED REPRESENTATIVES 2017/18
	Aldershot Town Centre Business and Retailers Group	Venue – Princes Hall, Aldershot Frequency - Twice a year Day – Weekday evenings Time - 6.30 p.m.	Cr. M.L. Sheehan Cr. M.S. Choudhary Cr. J.J. Preece Cr. A.H. Crawford	Chairman of Aldershot Regeneration Group and three Aldershot Members	Cr. M.L. Sheehan Cr. M.S. Choudhary Cr. J.J. Preece Cr. A.H. Crawford
5	Basingstoke Canal Joint Management Committee	Venue - Canal Centre, Mytchett Frequency - Twice a year Day - Friday Time - 10.00 am	Cr. J.H. Marsh Cr. L.A. Taylor Standing Deputies: Cr. R. Cooper Cr. C.P. Grattan	Two Members and a Standing Deputy for each Member (requested by the Management Committee)	Cr. J.H. Marsh Cr. L.A. Taylor Standing Deputies: Cr. R. Cooper Cr. C.P. Grattan
6	Blackbushe Airport Consultative Committee	Venue - British Car Auction Frequency - 2 per year Day - 1st Wednesday in March and October Time - 7.30 pm	Cr. Liz Corps Standing Deputy: Cr. J.E. Woolley	One Member and one Standing Deputy (Standing Deputy requested by the Consultative Committee)	Cr. Liz Corps Standing Deputy: Cr. J.E. Woolley
7	Blackwater Valley Advisory Panel for Public Transport	Venue – Various Frequency - 4 times per year (Mar, June, Sept, Dec) Time - 3.30 pm	Cabinet Member for Environment (Cr. M.J. Tennant) and Cr. B. Jones Standing Deputies: Cr. Barbara Hurst Cr. M.J. Roberts	Cabinet Member with responsibility for Environment and one Member (maximum of two standing deputies)	Cabinet Member for Environment (Cr. M.J. Tennant) and Cr. B. Jones Standing Deputies: Cr. Rod Cooper Cr. M.J. Roberts

	NAME OF ORGANISATION	FREQUENCY AND TIME OF MEETINGS/VENUE	REPRESENTATIVE(S) 2016/17	MEMBERSHIP	NOMINATED REPRESENTATIVES 2017/18
8	Blackwater Valley Countryside Partnership	Venue – RBC Offices Frequency – Annually Day- Various days in Sept/Oct Time- Afternoon	Cr. L.A. Taylor Cr. P.G. Taylor Standing Deputies Cr. Barbara Hurst Cr. C.P. Grattan	Two Members and up to two Standing Deputies	Cr. L.A. Taylor Cr. P.G. Taylor Standing Deputies Cr. Barbara Hurst Cr. C.P. Grattan
9	Brickfield Country Park, Friends of	Venue - Various Frequency - Every 3 months Day - 1st Tuesday of the month Time - 8.00 pm	Cr. D.E. Clifford Cr. P.I.C. Crerar Cr. B.A. Thomas	Three Manor Park Ward Members	Cr. D.E. Clifford Cr. P.I.C. Crerar Cr. B.A. Thomas
10	Council for the Protection of Rural England (Hart & Rushmoor Group)	Venue - Meet in members' homes and community halls Frequency - 5 - 6 week intervals Day – Varies Time – Evening	Cr. P.G. Taylor	One Member	Cr. P.G. Taylor
11	Cove Brook Greenway Group	Venue - Blunden Hall, Farnborough Frequency - Quarterly Time – Evenings	Cr. R. Cooper Cr. Marina Munro	Two Members	Cr. R. Cooper Cr. C.P. Grattan Cr. Marina Munro

Pack Page 92	NAME OF ORGANISATION	FREQUENCY AND TIME OF MEETINGS/VENUE	REPRESENTATIVE(S) 2016/17	MEMBERSHIP	NOMINATED REPRESENTATIVES 2017/18
	Enterprise M3 Joint Leaders Board	Venue – Various Frequency – 6 a year Time – daytime	Cr. D.E. Clifford	Leader of the Council	Cr. D.E. Clifford
13	Farnborough Aerodrome Consultative Committee	Venue - BA Park Centre, Farnborough Frequency - Twice a year Day - Thursday Time - 2.00 pm	Cr. M.J. Tennant Cr. P.G. Taylor Cr. Barbara Hurst as Standing Deputy	Cabinet Member for Environment and one Member from a ward that adjoins the site (and one standing deputy).	Cr. M.J. Tennant Cr. P.G. Taylor Cr. Barbara Hurst as Standing Deputy
14	Farnborough Community Centre Executive Committee	Venue - Elles Hall Frequency - 11 meeting a year Day - Wednesday Time – Evening	Cr. Sue Carter Cr. B. Jones	Two Members	Cr. Liz Corps Cr. B. Jones
15	Farnborough and Cove War Memorial Hospital Trust Ltd	Venue - Devereux House Frequency - 6-8 weeks Day - Monday Time - 8.00 pm	Cr. R.L.G. Dibbs	One Member	Cr. R.L.G. Dibbs
16	457 Farnborough Squadron	Venue – Squadron HQ, St. Christophers Road, Cove Frequency – 6 each year Day - Wednesday Time – 7.30 p.m.	Cr. J.H. Marsh	One Member	Cr. J.H. Marsh

	NAME OF ORGANISATION	FREQUENCY AND TIME OF MEETINGS/VENUE	REPRESENTATIVE(S) 2016/17	MEMBERSHIP	NOMINATED REPRESENTATIVES 2017/18
17	Farnham Quarry Liaison Group	Venue - To be confirmed Frequency - 2-3 per year Time - Late afternoon	Cr. M.J. Roberts with Cr. A.R. Newell and T.D. Bridgeman as Standing Deputy	One Aldershot Park Ward Councillor with the two other Aldershot Park Ward Councillors as Standing Deputies	Cr. M.J. Roberts with Crs. A.R. Newell and T.D. Bridgeman as Standing Deputy
18	Vivid Housing Group – Annual General Meeting	Venue - PHA Frequency - Yearly	Cr. Barbara Hurst	Cabinet Member for Health and Housing	Cr. Barbara Hurst
19	Hampshire and Isle of Wight Local Government Association	Venue - Rota of Association authorities Frequency - 6 per year Day – Friday Time - Day-time	Cr. D.E. Clifford Cr. P.G. Taylor	Two Cabinet Members, one of whom is the Leader	Cr. D.E. Clifford Cr. P.G. Taylor
20	Hampshire Districts Health and Wellbeing Forum	Venue – rotation around Hampshire Frequency – 3 per year Time - daytime	Cr. Barbara Hurst	Cabinet Member for Health and Housing	Cr. Barbara Hurst
21	Hampshire Police and Crime Panel	Venue – venues around Hampshire Frequency – 4 times a year Time – 10.00 a.m. weekdays	Cr. K.H. Muschamp	Leader or Cabinet Member	Cr. K.H. Muschamp

Pack Page 94	NAME OF ORGANISATION	FREQUENCY AND TIME OF MEETINGS/VENUE	REPRESENTATIVE(S) 2016/17	MEMBERSHIP	NOMINATED REPRESENTATIVES 2017/18
	Hampshire Buildings Preservation Trust AGM	Venue – Various Frequency – Annually (AGM) Day - Friday in November Time - 10.30 am	Cr. D.S. Gladstone Cr. Marina Munro	Two Members	Cr. D.S. Gladstone Cr. Marina Munro
23	Local Government Association - General Assembly	Venue - London and Conference venues Frequency – Annually Time – Daytime	Cr. D.E. Clifford	Leader of the Council	Cr. D.E. Clifford
24	North Hampshire Area Road Safety Council	Venue – Hart/RBC/BDBC Frequency – 3 times a year Time – daytime	Cr. S.J. Masterson Cr. P.G. Taylor as Standing Deputy	One Member and one standing deputy	Cr. S.J. Masterson Cr. P.G. Taylor as Standing Deputy
25	North Hampshire Community Safety Partnership	Venue – RBC/Hart/Basingstoke Offices Frequency – 3 times a year Time – daytime	Cr. K.H. Muschamp	Cabinet Member for Safety and Regulation	Cr. K.H. Muschamp

	NAME OF ORGANISATION	FREQUENCY AND TIME OF MEETINGS/VENUE	REPRESENTATIVE(S) 2016/17	MEMBERSHIP	NOMINATED REPRESENTATIVES 2017/18
26	Joint Scrutiny Committee (Hart/Basingstoke/Rushmoor) North Hampshire Community Safety Partnership	Venue – RBC/Hart/Basingstoke Offices Frequency – once a year Time – daytime	Chairman and Vice-Chairman of Borough Services Policy and Review Panel Cr. A.H. Crawford Cr. B. Jones as Standing Deputy	Three non-executive Members including Chairman and Vice-Chairman of Borough Services To reflect proportionality: 2 Conservatives 1 Labour Nominated substitutes	Chairman and Vice-Chairman of Borough Services Policy and Review Panel Cr. A.H. Crawford Cr. B. Jones as Standing Deputy
27	Parity for Disability	Venue - Day Centre, Whetstone Road Frequency - 2nd Tuesday of every month Time - 7.30 pm - 9.30 pm	Cr. Barbara Hurst Cr. Sue Carter as Standing Deputy	One Member and one standing deputy	Cr. Barbara Hurst Cr. Sue Carter as Standing Deputy
28	PATROL Annual Joint Committee Meeting (formerly National Parking Adjudication Services)	Venue - London Frequency – once June/July 11.00 a.m. to 2.00 p.m.		One Member with interest in Parking Enforcement	Under Review
29	Project Integra Strategic Board	Venue - Various Authorities Frequency - Quarterly Day - Friday Time - 9.30 am	Cr. M.J. Tennant	Cabinet Member for Environment	Cr. M.J. Tennant

Pack Page 96	NAME OF ORGANISATION	FREQUENCY AND TIME OF MEETINGS/VENUE	REPRESENTATIVE(S) 2016/17	MEMBERSHIP	NOMINATED REPRESENTATIVES 2017/18
	Royal British Legion (Farnborough Branch) Remembrance Day Arrangements	Frequency – As required Time - 7.45 pm	Cr. D.B. Bedford	One Member	Cr. D.B. Bedford
31	Rushmoor Citizens' Advice Bureaux Trustee Board	Venue - Alternates: Farnborough CAB/Aldershot CAB Frequency - 6 per year Day - Monday Time - 7.00 pm	Cr. Barbara Hurst Cr. P.F. Rust	Two Members (representatives of different Political Groups).	No new Nominations sought at this time
32	Rushmoor In Bloom Forum	Venue - RBC Offices Frequency - 6 per year Time - 7.00 pm	Cr. Mrs. D.B. Bedford Cr. M.S. Choudhary Cr. Liz Corps Cr. Jennifer Evans Cr. C.P. Grattan	Five Members (politically balanced. Last year, political balance was 3 Conservative, 2 from other Groups)	Cr. Mrs. D.B. Bedford Cr. M.S. Choudhary Cr. Liz Corps Cr. Jennifer Evans Cr. C.P. Grattan
33	Rushmoor Local Strategic Partnership	Venue - RBC Offices Frequency - Quarterly Time - 4.00 pm	Cr. K.H. Muschamp Cr. Barbara Hurst as Standing Deputy	One Cabinet Member and One Cabinet Member as Standing Deputy	Cr. K.H. Muschamp Cr. Barbara Hurst as Standing Deputy
34	Rushmoor Mediation Management Committee	Venue – Rushmoor Council Offices Frequency - Quarterly Time – 6 pm	Cr. C.P. Grattan Cr. M.D. Smith Cr. P.G. Taylor	Three Members	Cr. C.P. Grattan Cr. M.D. Smith Cr. P.G. Taylor

	NAME OF ORGANISATION	FREQUENCY AND TIME OF MEETINGS/VENUE	REPRESENTATIVE(S) 2016/17	MEMBERSHIP	NOMINATED REPRESENTATIVES 2017/18
35	Rushmoor Sports Forum	Email forum to discuss grant applications	Cr. Mrs. D.B. Bedford Cr. Sue Carter	Two Members	Cr. Mrs. D.B. Bedford Cr. Sue Carter
36	Rushmoor Swimming Association	Venue – Farnborough Leisure Centre Frequency – Last Monday in the month, except May Time - 7.30 pm	Cr. G.B. Lyon Cr. D.S. Gladstone	Two Members	Cr. G.B. Lyon Cr. D.S. Gladstone
37	Rushmoor Voluntary Services Board	Venue – Community Centre Frequency – 8 per Year and AGM and Awayday Time – Thursday Evening at 7.15 p.m.	Cr. Barbara Hurst	One Member	Cr. Barbara Hurst
38	Rushmoor Youth Forum	Venue – Borough Offices Frequency – Quarterly Time – Evenings	Cr. D.M.T. Bell Cr. L.A. Taylor Cr. G.B. Lyon	Three Members (one from each Political Group)	Cr. D.M.T. Bell Cr. L.A. Taylor Cr. G.B. Lyon
39	South East Employers – Full Meeting	Venue – Mary Sumner House, London Frequency - 2 per year – next meeting Friday 12th July, 2013	Cr. P.G. Taylor Cr. K.H. Muschamp as Standing Deputy	Cabinet Member for Corporate Services and one Member as Standing Deputy	Cr. P.G. Taylor Cr. K.H. Muschamp as Standing Deputy

Pack Page 98	NAME OF ORGANISATION	FREQUENCY AND TIME OF MEETINGS/VENUE	REPRESENTATIVE(S) 2016/17	MEMBERSHIP	NOMINATED REPRESENTATIVES 2017/18
	SEE – The Local Democracy and Accountability Network	Venue – Mary Sumner House, London Frequency – 2 per year Time – Daytime – next meeting 13th September 2013	Cr. S.J. Masterson Cr. P.F. Rust	Two Members (but should not be drawn from the Cabinet)	Cr. S.J. Masterson Cr. P.F. Rust
41	South East England Councils (SEEC) All Member Meeting	Venue – London Frequency - Quarterly Time – Daytime	D.E. Clifford	Member of the Cabinet	Cr. Barbara Hurst
42	Southwood Golf Club Committee	Venue - Southwood Golf Club Frequency - Every 4-5 weeks Time - 7.00 pm	Cr. D.S. Gladstone	One Member	Cr. D.S. Gladstone
43	West End Centre Management Committee	Venue - West End Centre Frequency - Every 2/3 months Day - Varies Time - 7.00 pm	Crs. M.S. Choudhary Cr. B.A. Thomas	Two Members	Crs. M.S. Choudhary Cr. B.A. Thomas