

18 June 2013

Committee	Audit
Date	Wednesday, 26 June 2013
Time of Meeting	2:00 pm
Venue	Committee Room 1

ALL MEMBERS OF THE COMMITTEE ARE REQUESTED TO ATTEND



**for Sara J Freckleton
Borough Solicitor**

Agenda

1. ANNOUNCEMENTS

When the continuous alarm sounds you must evacuate the building by the nearest available fire exit. Members and visitors should proceed to the visitors' car park at the front of the building and await further instructions (staff should proceed to their usual assembly point). Please do not re-enter the building unless instructed to do so.

In the event of a fire any person with a disability should be assisted in leaving the building.

2. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

To receive apologies for absence and advise of any substitutions.



Item	Page(s)
3. DECLARATIONS OF INTEREST	
<p>Pursuant to the adoption by the Council on 26 June 2012 of the Tewkesbury Borough Council Code of Conduct, effective from 1 July 2012, as set out in Minute No. CL.34, Members are invited to declare any interest they may have in the business set out on the Agenda to which the approved Code applies.</p>	
4. MINUTES	1 - 8
<p>To approve the Minutes of the meetings held on 20 March and 14 May 2013.</p>	
5. GRANT THORNTON PROGRESS REPORT	9 - 21
<p>To consider Grant Thornton's report on progress against planned outputs.</p>	
6. GRANT THORNTON FEES LETTER 2013/14	22 - 25
<p>To consider the fee letter from Grant Thornton in relation to the audit work to be undertaken during 2013/14.</p>	
7. INTERNAL AUDIT PLAN MONITORING REPORT	26 - 51
<p>To consider the Internal Audit work undertaken and the assurance given on the adequacy of internal controls operating in the systems audited for the period January – March 2013.</p>	
8. INTERNAL AUDIT ANNUAL REPORT 2012/13	52 - 56
<p>To consider the Internal Audit Annual Report 2012/13 and the assurance from the Performance and Audit Manager on the level of internal control within the systems audited during the year.</p>	
9. ANNUAL REVIEW OF THE EFFECTIVENESS OF INTERNAL AUDIT	57 - 61
<p>To approve the review process and to consider the outcome of the review of the effectiveness of internal audit.</p>	
10. CORPORATE BUSINESS CONTINUITY PLAN	62 - 86
<p>To consider the Corporate Business Continuity Plan and associated action plan and to recommend to the Executive Committee that the Plan be approved.</p>	

DATE OF NEXT MEETING**WEDNESDAY, 25 SEPTEMBER 2013****COUNCILLORS CONSTITUTING COMMITTEE**

Councillors: Mrs K J Berry, Dr A L Carter, B C J Hesketh, A L Mackinnon (Chairman),
M G Sztymiak, A C Tugwell and D J Waters (Vice-Chairman)

The Council has a substitution procedure and any substitutions will be announced at the beginning of the meeting.

TEWKESBURY BOROUGH COUNCIL

**Minutes of a Meeting of the Audit Committee held at the Council Offices,
Gloucester Road, Tewkesbury on Wednesday, 20 March 2013 commencing at
2:00 pm**

Present:

Chairman
Vice Chairman

Councillor A L Mackinnon
Councillor D J Waters

and Councillors:

Mrs K J Berry and Miss H J Healy

AUD.31 ANNOUNCEMENTS

31.1 The evacuation procedure, as noted on the Agenda, was taken as read.

AUD.32 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

32.1 Apologies for absence were received from Councillors Dr A L Carter and A C Tugwell.

AUD.33 DECLARATIONS OF INTEREST

33.1 The Committee's attention was drawn to the Tewkesbury Borough Council Code of Conduct which was adopted by the Council on 26 June 2012 and took effect from 1 July 2012.

33.2 There were no declarations of interest made on this occasion.

AUD.34 MINUTES

34.1 The Minutes of the meeting held on 12 December 2012, copies of which had been circulated, were approved as a correct record and signed by the Chairman.

AUD.35 AUDITING STANDARDS - COMMUNICATION WITH THE AUDIT COMMITTEE

35.1 Attention was drawn to Grant Thornton's report entitled 'Auditing Standards – Communication with the Audit Committee', circulated at Pages No. 9-23, which set out how the external auditor would ensure effective two-way communication between itself and those charged with governance, in the case of Tewkesbury Borough Council its Audit Committee.

- 35.2 Members were advised that the Council's external auditors had a responsibility under professional auditing standards to ensure that there was effective communication with the Audit Committee. This meant developing a good working relationship with Committee Members, whilst maintaining its independence and objectivity. If the relationship worked well it would help the external auditors to obtain information relevant to its audit and would help the Audit Committee Members to fulfil their financial reporting responsibilities. It was anticipated that the overall outcome would be to reduce the risk of material misstatement.
- 35.3 It was considered by the external auditors that it would be helpful, in planning and performing the audit of the Council's financial statements, to understand how the Audit Committee, supported by the Council's management, met its responsibilities in terms of fraud; law and regulation; going concern; related parties; and accounting for estimates. The report before the Committee summarised the responsibilities of the Audit Committee, management and external audit in each of those areas. Each section of the report included a series of questions that the management had responded to and the Committee was asked to consider those responses and confirm that it was satisfied with the arrangements in place.
- 35.4 Members felt that there were no surprises contained within the report and they were comfortable to support the management responses contained therein. Referring particularly to the question of fraud, Members were advised that housing benefit was inherently a risky area. The Council would never be able to say that there was no fraud but the challenge was to minimise the risk by the arrangements made and the monitoring of those arrangements.
- 35.5 Referring to the Council's Whistleblowing Policy, a Member asked for assurance that it was robust and that staff were fully aware of the Policy. In response Members were advised that the Policy had been updated fairly recently and at that time it had been introduced at staff briefings, had been circulated via email to all staff and had been placed on the intranet. The external auditor indicated that this Policy had previously been on the internet, so as to raise its profile to the wider stakeholder group, and he hoped that this could be done again. The Performance and Audit Manager undertook to ensure that the Policy was available on the internet as well as the intranet.
- 35.6 Having considered the report it was
- RESOLVED**
1. That it be confirmed that the Audit Committee is satisfied with the responses set out within the report and with the arrangements in place.
 2. That the Performance and Audit Manager ensures the Council's Whistleblowing Policy is available on the internet as well as the intranet.

AUD.36 GRANT THORNTON AUDIT PLAN 2012/13

- 36.1 Attention was drawn to Grant Thornton's Audit Plan, circulated at Pages No. 24-43, which set out the Audit Plan for the year ended March 2013. Members were asked to consider the information provided.
- 36.2 Members were advised that the fees letter for 2012/13 had been presented to the Committee at its last meeting. The Plan before Members at the current meeting set out in more detail the approach that would be adopted in discharging the duties of external audit. In planning the audit, the external auditors would need to understand the challenges and opportunities that the Council was facing. The areas to be looked at included the Council's financial position; the savings plans; and the restructure. Members were advised that, given the current economic climate, the areas of 'financial position' and 'savings plans' were likely to feature in the Audit

Plans of most Local Authorities this year. The Audit Plan also considered the impact of key developments in the sector and took account of national audit requirements as set out in the Code of Audit Practice and associated guidance. These elements included financial reporting; legislation; corporate governance; pensions; financial pressures; and other requirements. Page No. 29 set out the audit approach that would be taken and showed the issues identified along with the risks. This was the information used to develop the Audit Plan and to obtain reasonable assurance that the Council's financial statements as a whole were free from material misstatement and prepared, in all material respects, within the CIPFA Code of Practice framework. The diagram also showed how the external auditors gained the assurances needed and how this would lead to the opinion provided on the financial statements. Pages No. 30-36 brought together how the audit approach focused on the risks identified through the Audit planning. There was nothing of concern contained within the table and Members were advised that other low risk Authorities would have similar risks. Pages No. 37-38 set out the results of the interim audit work and, again, there were no significant issues to bring to Members' attention. The IT work was not yet complete but to date no significant issues had been noted. Page No. 39 focussed on the Council's Value for Money conclusion. This would concentrate on the Council's arrangements for securing financial resilience; and challenging how it secured economy, efficiency and effectiveness in its use of resources. The results of the Value for Money work and the key messages would be reported in the Audit Findings Report and in the Annual Audit Letter. Any additional reporting to the Council would be agreed on a review-by-review basis. However, the Council was a low risk client in this respect.

36.3 During the discussion which ensued, Members felt that the report was well laid out and clear. One Member felt that it was interesting how low risk it was and that there were no significant issues. In response the external auditor indicated that if something specific was happening, i.e. a significant project, this may result in a significant risk. At the moment he was not aware of any significant risks in any of the Gloucestershire Authorities. In terms of risks, he explained that the largest element of expenditure for most Councils was payroll and this was the reason that it was noted as a medium risk. A Member questioned whether the external auditors would take an interest in the new leisure centre if it went ahead and he was advised that the auditors would need to ensure it was properly accounted for and that a full options appraisal etc had been undertaken which demonstrated that the right decision had been made.

36.4 Accordingly it was

RESOLVED That the Audit Plan for 2012/13 be **NOTED**.

AUD.37 GRANT THORNTON PROGRESS REPORT

37.1 Attention was drawn to Grant Thornton's Audit Committee Update, circulated at Pages No. 44-56, and Members were asked to consider the progress made by the external auditors on delivering its responsibilities.

37.2 Members were advised that this report was provided to every meeting of the Committee and it set out progress against the Audit Plan and provided an update on the issues which it was felt were relevant to the role of the Audit Committee.

37.3 Attention was drawn to Pages No. 48-49 which detailed the progress as at 12 February 2013. Particular reference was made to the 2012/13 final accounts audit and the Value for Money conclusion. Members were advised that the external auditors were in the process of agreeing, with finance staff, its working paper requirements which would support the draft financial statements. It intended to make an early start on the audit this year with its post-statement work commencing in June. The Value for Money work would be focussed on the two criteria which

had been specified by the Audit Commission i.e. that the organisation had proper arrangements in place for securing financial resilience; and that the organisation had proper arrangements in place for challenging how it secured economy, efficiency and effectiveness. Most of this work would be undertaken around June time. In terms of 'other areas of work' this would include work on housing benefit claims and would be completed in September 2013. Pages No. 50-55, set out the emerging issues which would be taken into account. It was suggested that this was necessarily detailed but that feedback from Members on the level of information supplied was welcome.

37.4 A Member indicated that she found the detail within the report very helpful, however, she expressed the view that it would also be helpful if Officers were able to answer some of the questions posed within the report next time. In response the Director of Resources explained that discussions were currently underway with the administrators of Municipal Mutual Insurance so that it could be ascertained whether the liability could be discharged by 31 March 2013 or whether a provision would need to be made within the Council's financial statements. In respect of redundancy costs, provision had been made within the current budget. The external auditor indicated that he had had a meeting with the Chief Executive and the Director of Resources prior to the Committee and he was satisfied that Officers were fully aware of the issues raised within the progress report.

37.5 Accordingly it was

RESOLVED That the Audit Committee Update be **NOTED**.

AUD.38 INTERNAL AUDIT PLAN MONITORING REPORT

38.1 The report of the Performance and Audit Manager, circulated at Pages No. 57-74, summarised the work undertaken by the Internal Audit Section for the period December 2012-February 2013. Members were asked to consider the audit work completed and the assurance given on the adequacy of internal controls operating in the systems audited.

38.2 Members were advised that, based upon Internal Audit work undertaken as at 21 February 2013, 90% completion of the Plan would be achieved. As at that date, 5 audits awaited commencement and it was anticipated that 4 of those would be complete by the end of the year. A number of audits were also currently at draft report stage i.e. Housing Benefits, Corporate Sundry Debt Recovery and Playground Inspections. The audit opinions for all remaining audits would be reported in the final monitoring report which would be presented to Audit Committee in June. Members were advised that this was a very positive report with no limited assurance conclusions for the work in the period.

38.3 Within the 2012/13 Internal Audit Plan there was an allocation of days relating to corporate improvement work. The Performance and Audit Team collectively identified corporate type activities that may have stagnated or need resolving and, in addition, the Corporate Management Team and Service Managers were encouraged to put forward any suggestions where the Team may be able to provide help. An update on these areas was included at Appendix A and currently related to Playground Inspections and Business Continuity. In terms of risk management, the Committee was advised that the Risk Management Strategy had been updated and formally reviewed by the Overview and Scrutiny Committee at both a workshop and the Committee. The Strategy had subsequently been approved by the Executive Committee in December 2012. The Strategy detailed the implementation of the new Directorate Risk Registers which would form part of the Quarter 4 Performance Management Framework.

- 38.4 Referring to comments made at the last meeting of the Committee, attention was drawn to Page No. 70, 'Trade Waste Audit – Non-Receipt of Waste Transfer Notes'. Members were advised that there was an annual renewal process in January and a follow-up audit on this issue had confirmed that 461 waste transfer notes had been received through the annual renewal. This left 13 outstanding and the collections had been suspended for those customers. A Member questioned what would happen to those customers and was advised that they would not receive a collection until their waste transfer notes had been received by the Council.
- 38.5 In respect of the assurance level for the completed audits, a Member indicated that there were a number of 'satisfactory' opinions. She questioned whether satisfactory was alright or whether the Council should be aiming for better than satisfactory. In response she was advised that a satisfactory opinion was common and demonstrated a reasonable level of assurance which was good. In addition the Director of Resources indicated that Officers had to balance the resources and risks which would be required to lift the assurances to good, for example, some areas would require significant resources to raise the opinion level and those resources may be better placed elsewhere.
- 38.6 Accordingly it was
- RESOLVED** That the audit work completed, and the assurance given on the adequacy of the internal controls operating in the systems audited, be **NOTED**.

AUD.39 INTERNAL AUDIT PLAN 2013/14

- 39.1 The report of the Performance and Audit Manager, circulated at Pages No. 75-79, set out, at Appendix 1, the Internal Audit Plan 2013/14. Members were asked to approve the Plan.
- 39.2 With effect from 1 April 2013, the CIPFA Code had been replaced by a new set of standards, the Public Sector Internal Audit Standards, but the requirement to produce an annual Internal Audit Plan remained the same. The Public Sector Internal Audit Standards ref 2010 (Planning) required that the Chief Audit Executive was responsible for developing a risk based Plan; and Ref 2030 (Resource Management) required that the Chief Audit Executive must ensure that Internal Audit resources were appropriate, sufficient and effectively deployed to achieve the Plan. Members were advised that the report before the Committee demonstrated how the Internal Audit Plan had been compiled and a copy of the 2012/13 Plan was circulated around the table for comparative purposes.
- 39.3 Members were informed that the Plan provided a total of 403 productive days and was based upon 2 Officers delivering it. The Plan was divided into key areas including Corporate Governance (data quality, risk management, procurement, health and safety – tree inspections and the national fraud initiative); Corporate Improvement; Work on Fundamental Systems (main accounting system, payroll, creditors, Council Tax, business rates, housing benefit, debtors and cash & bank); Service Areas (ICT, human resources, car parks – client monitoring, recycling, land charges, flood alleviation grants, property services – office refurbishment, Planning fees and Licensing); and Other Areas (including consultancy and advice). Referring to 'Corporate Improvement' a Member indicated that he would like to see a review of the services that had been subject to systems thinking reviews, as well as the organisational review, when they had bedded in later this year. In response he was advised that Officers would be able to build in the systems thinking reviews which had been high risk areas.

39.4 Accordingly it was

RESOLVED That the Internal Audit Plan 2013/14, as detailed at Appendix 1 to the report, be **APPROVED**.

AUD.40 INTERNAL AUDIT CHARTER AND PUBLIC SECTOR INTERNAL AUDIT STANDARDS

40.1 The report of the Performance and Audit Manager, circulated at Pages No. 80-125, attached a copy of the Public Sector Internal Audit Standards and a copy of the proposed Internal Audit Charter. Members were asked to consider the Public Sector Internal Audit Standards and approve the Internal Audit Charter.

40.2 Members were advised that the introduction of the Public Sector Internal Audit Standards, with effect from 1 April 2013, represented a major change to Internal Audit although there would be no change in the way routine audit work was delivered. There were a number of succinct changes and those were summarised at Paragraph 2.1 of the report. Whilst the standards came into force on 1 April 2013, progress towards compliance could take place during the course of the year. A checklist for self-assessment of compliance would be issued by the end of March 2013 and this would make it easier to understand the Council's compliance, or not, with the Standards. The Public Sector Internal Audit Standards (Ref 1000) required that the purpose, authority and responsibility of the Internal Audit activity must be formally defined in an Internal Audit Charter. The Charter should be periodically reviewed and presented to senior management and the Board for approval. The Charter established the position of Internal Audit activity within the organisation, including the nature of the Chief Audit Executive functional reporting relationship with the Board; authorised access to records, personnel and physical properties relevant to the performance of engagements; and defined the scope of Internal Audit activities.

40.3 Referring to the Internal Audit Charter, attached to the report at Appendix 2, Members were advised that for this purpose the Chief Audit Executive was the Performance and Audit Manager and the Board was the Audit Committee. A big change in the process was that external assessments would be conducted at least every 5 years by a qualified, independent assessor or assessment team from outside of the organisation. It was anticipated that this would help ensure independence from the Council. For this assessment, the Council could use a different arm of Grant Thornton, someone such as the ex-head of Internal Audit or a different external audit team. In respect of Grant Thornton, Members were advised that their own standards meant that their current appointed auditor would only be in that role for Tewkesbury Borough Council for up to 7 years. This restriction was in place to ensure the relationships between an auditor and a Council did not become too familiar.

40.4 In relation to a query regarding the reason for the implementation of the new Standards, Members were advised that it was anticipated that the new Standards would ensure consistency across the public sector and would make comparisons between Local Authorities and other public bodies much easier.

40.5 In terms of the roles contained within the Charter, Members were advised that the Scheme of Delegation would be amended to reflect what was required. However Members were reassured that there was nothing contained within the Charter that was not already within the remit of the Audit Committee. In respect of a possible reduction in objectivity as a result of changes to the structure of the organisation following the organisational review, Members were advised that the Performance and Audit Manager would become responsible for risk management but any draft report would be submitted to the Corporate Governance Group rather than being audited by him. The same would be true for equalities which would be audited by

the Equalities Forum. It was anticipated that this approach would ensure independence. The Charter would be reviewed on an annual basis and any changes would be brought to the Audit Committee as required.

40.6 Accordingly it was

- RESOLVED**
1. That the new Public Sector Internal Audit Standards be **NOTED**.
 2. That the Internal Audit Charter be **APPROVED**.

AUD.41 ANTI-FRAUD, CORRUPTION AND BRIBERY POLICY

41.1 The report of the Borough Solicitor, circulated at Pages No. 126-141, presented Members with a revised version of the Anti-Fraud, Corruption and Bribery Policy for consideration. Members were asked to recommend the revised Policy to the Executive Committee for approval.

41.2 Members were advised that the current Policy had been approved in 2007 and was now due for renewal. The main amendments and objectives of the revised Policy were set out at Paragraph 2.1 of the report and included: to provide a clear statement of the Council's position on fraud, corruption and bribery in line with the Bribery Act 2010; to minimise the risk to the Council's reputation and loss of its assets; to promote a culture of integrity and accountability; to enhance existing procedures aimed at preventing, discouraging and detecting fraud, corruption and bribery; and to raise awareness of the risk of fraud, corruption and bribery being perpetrated against the Council. In undertaking the Policy review, the Bribery Act 2010 had been taken into account due to there being a number of implications for Local Authorities, most notably the introduction of a corporate offence of 'failing to prevent bribery'. This could result in unlimited fines against the Council in the event that systems and procedures were not deemed adequate to prevent bribery taking place. The revised Policy had therefore been updated to align itself with existing Codes of Conduct, Policies and Guidance on the prevention and detection of corruption, fraud and bribery to ensure that it provided clear and unambiguous guidance to employees, Members and all those that the Council did business with.

41.3 Members felt that the document was comprehensive and clear and were pleased that best practice had been considered and incorporated in the revised Policy. Accordingly it was

- RESOLVED** That the revised Anti-Fraud, Corruption and Bribery Policy be **RECOMMENDED TO THE EXECUTIVE COMMITTEE** for approval.

The meeting closed at 3:00 pm

TEWKESBURY BOROUGH COUNCIL

**Minutes of a Meeting of the Audit Committee held at the Council Offices,
Gloucester Road, Tewkesbury on Tuesday, 14 May 2013 commencing at 6:15 pm**

Present:

Chairman
Vice Chairman

Councillor A L Mackinnon
Councillor D J Waters

and Councillors:

Mrs K J Berry, Dr A L Carter, B C J Hesketh, M G Sztymiak and A C Tugwell

AUD.1 ELECTION OF CHAIRMAN

1.1 The Mayor opened the meeting by seeking nominations for the Chairmanship of the Committee.

1.2 It was proposed and seconded that Councillor A L Mackinnon be nominated as Chairman of the Committee. Upon being put to the vote it was

RESOLVED That Councillor A L Mackinnon be elected as Chairman of the Audit Committee for the ensuing Municipal Year.

AUD.2 APPOINTMENT OF VICE-CHAIRMAN

2.1 Councillor A L Mackinnon took the chair and invited nominations for Vice-Chairman of the Committee.

2.2 It was proposed and seconded that Councillor D J Waters be nominated as Vice-Chairman of the Committee. Upon being put to the vote it was

RESOLVED That Councillor D J Waters be appointed as Vice-Chairman of the Audit Committee for the ensuing Municipal Year.

The meeting closed at 6:20 pm

Audit Committee Update for Tewkesbury Borough Council

DRAFT

This version of the report is a draft. Its contents and subject matter remain under review and its contents may change and be expanded as part of the finalisation of the report.

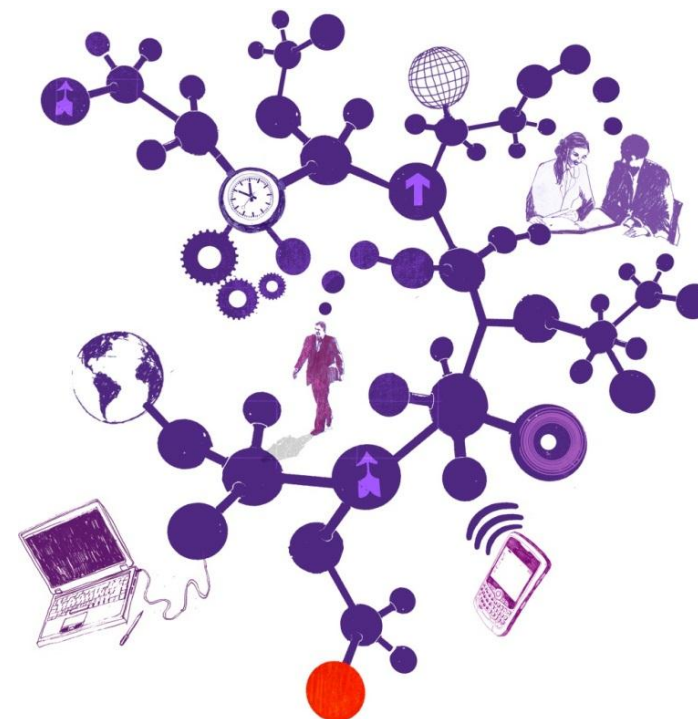
Year ended 31 March 2013

17 June 2013

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Agenda Item 5

The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect your business or any weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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Introduction

This paper provides the Audit Committee with a report on progress in delivering our responsibilities as your external auditors. The paper also includes:

- a summary of emerging national issues and developments that may be relevant to you as a Borough Council
- includes a number of challenge questions in respect of these emerging issues which the Committee may wish to consider.

Members of the Audit Committee can find further useful material on our website www.grant-thornton.co.uk, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications - 'Local Government Governance Review 2012', 'The developing internal audit agenda', 'Preparing for the future', 'Surviving the storm: how resilient are local authorities?', 'Towards a tipping point?: Summary findings from our second year of financial health checks of English local authorities'

If you would like further information on any items in this briefing, or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Audit Manager.

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Progress at 17 June 2013

Work	Planned date	Complete?	Comments
<p>2012-13 Accounts Audit Plan We are required to issue a detailed accounts audit plan to the Council setting out our proposed approach in order to give an opinion on the Council's 2012-13 financial statements.</p>	8 March	No	This was taken to the Audit Committee on 20 March 2013
<p>Interim accounts audit Our interim fieldwork visit will include the following:</p> <ul style="list-style-type: none"> • updated review of the Council's control environment • update understanding of financial systems • review of Internal Audit reports on core financial systems • early work on any emerging accounting issues • early substantive testing 	8 March	No	Our interim visit is completed we identified no new risks. Our VFM conclusion work has been started and is due to be completed at the final accounts visit.
<p>2012-13 final accounts audit Including:</p> <ul style="list-style-type: none"> • audit of the 2012-13 financial statements • proposed opinion on the Council's accounts • proposed Value for Money conclusion. 	August 2013	No	We are currently planning to be on site between 27 June 2013 to 26 July 2013

Progress at 17 June 2013

Work	Planned date	Complete?	Comments
<p>Value for Money (VfM) conclusion</p> <p>The scope of our work to inform the 2012/13 VFM conclusion comprises:</p> <ul style="list-style-type: none"> • A risk assessment • Bringing forward knowledge from previous auditors • Reviewing key documents • Discussion with officers 	August 2013	No	<p>Our work will be focussed on the two key criteria specified by the Audit Commission i.e.</p> <ul style="list-style-type: none"> - The organisation has proper arrangements in place for securing financial resilience; and - The organisation has proper arrangements for challenging how it secures economy, efficiency and effectiveness. <p>We will provide a report setting out the findings from our work on the Financial Resilience criteria.</p>
<p>Other areas of work</p>	N/A	N/A	No other work has been agreed to date.

Emerging issues and developments

Accounting and audit issues

LAAP Bulletin 96: Closure of the 2012/13 accounts and related matters

In March, CIPFA's Local Authority Accounting Panel issued [LAAP Bulletin 96](#). The bulletin provides further guidance and clarification to complement CIPFA's 2012/13 Guidance Notes for Practitioners and focuses on those areas that are expected to be significant for most authorities. Topics include:

- a reminder that authorities should tailor CIPFA's example financial statements to meet their own reporting needs in order to give a true and fair view of their own financial position and performance
- the need for billing and precepting authorities to disclose their share of non-domestic rate appeals liabilities that transferred to them on 1 April 2013
- the revised disclosure format for dedicated schools grant
- accounting for carbon reduction commitment (CRC) energy efficiency scheme assets
- accounting for the transfer of public health reform in 2013/14.

Challenge question:

- Has your Director of Resources reviewed the guidance and assessed the potential impact for your financial statements?

Emerging issues and developments

Accounting and audit issues

Code of Practice on Local Authority Accounting in the United Kingdom 2013/14

CIPFA/LASAAC has issued the Local Authority Accounting Code for 2013/14. The main changes to the Code include:

- amendments for the requirements of the localisation of business rates in England
- amendments to how 'other comprehensive income' is presented in the Comprehensive Income and Expenditure Statement. These changes follow the June 2011 amendments to IAS 1 Presentation of Financial Statements.
- amendments to how authorities should account for the cost of employees. This is as a result of the June 2011 amendments to IAS 19 Employee Benefits and include amendments to the classification, recognition, measurement and disclosure of local authority pension costs. This is accounted for as a prior period adjustment which means that the figures for previous years will need to be restated.
- clarifications and improvements of the Code as a result of the CIPFA/LASAAC post-implementation review of IFRS on issues such as:
 - the recognition and measurement of property, plant and equipment – in particular, paragraph 4.1.2.35 of the Code now requires items within a class of property, plant and equipment to be revalued simultaneously. The Code does permit a class of assets to be revalued on a rolling basis provided the revaluation is completed within a short period and provided the revaluations are kept up to date.
 - leases and lease-type arrangements (for example where lease rentals are charged at peppercorn rents)
 - service concession (PFI/PPP) arrangements in relation to assets under construction and intangible assets
 - the recognition of non-current assets held for sale
- amendments relating to deferred tax which may be applicable to authorities with group accounts. These follow amendments to IAS 12 Income Taxes issued in December 2010.

The Code also notes that guidance on the adoption of IFRS 13 Fair Value accounting and on accounting for schools has been deferred to the 2014/15 Code.

Challenge questions:

- Is your Director of Resources aware of the changes to the 2013/14 Code and assessed the potential impact?
- In particular, has your Director of Resources consulted:
 - your actuary to ensure you will have the information you need to restate amounts relating to pensions from previous years
 - your valuer to ensure that your revaluation programme complies with the new requirements for property, plant and equipment?

Emerging issues and developments

Accounting and audit issues

Internal audit – practice case studies

The NAO and the Institute of Internal Auditors have released a [set of case studies](#), available on the NAO website, illustrating some of the key principles of effective internal auditing, taken from a range of public and private sector organisations (including British Telecom, Department for Work and Pensions, EDF). These cover the following areas:

- applying internal audit resources
- scope of internal audit
- auditing projects
- the relationship with the audit committee
- risk-based internal audit
- evaluating internal audit

Examples of the practical advice these case studies provide are:

- 'ensure that the internal audit function has the right development practices and the right mix of people'
- 'internal audit must check its own performance'
- 'look at the range and depth of assurance that is being provided to management from other assurance providers within the organisation: this will reduce the duplication and free up resources to provide deeper assurance in other areas'
- 'make sure that internal audit's work is aligned to management's view of risk: the function may be focussing on the wrong issues if it does not understand management's risk priorities'
- 'review whether senior management and the business share the same view of risk – highlight where differences occur to ensure that the right risks and controls are targeted in the audit plan'
- 'consider carrying out a benchmarking review with a similar sized organisation in the same industry sector to compare and contrast approaches to internal audit and resourcing'

Challenge question:

- How can you drive more organisational value from internal audit?

Emerging issues and developments

Grant Thornton

Use of Outsourced IT Services

Over the past few years, there has been an increasing move to outsourcing IT services to third parties within the Local Government sector. This has accelerated over the last year as a result of need to drive efficiencies across the public sector.

Two recent incidents have highlighted the need to carry out proper due diligence and ensure the correct contractual and technical provisions are in place when signing agreements with third parties:

- a major IT service provider, who offered a wide range of services including Network, Communications and Data Centre Management, recently went into administration. This created significant uncertainty for their clients in terms of on-going business as usual requirements as well as access to data. At one point clients were asked to make additional payments in order to gain access to their critical data.
- a large NHS Trust had a failure of its hard disk drive containing its financial data. On contacting the supplier responsible for taking back ups, it became evident that no data back ups had been taken in the preceding 6 months and therefore the client had lost 6 months of data. As a result, the system had to be restored to the last back up date and the data recreated. This was a time consuming and expensive exercise, and has impacted on the financial audit work where additional procedures will have to be performed.

Both of these incidents highlight the risks involved when outsourcing services. Organisations with critical data who run their own data centres would have normally considered the risks associated with a failure of an IT service (or an entire data centre) and would have taken steps to mitigate these risks. Companies who outsource the performance of key services still retain responsibility for their operating and regulatory requirements, and for ensuring that the control environments supporting their business processes are operating effectively, regardless of who is managing them.

Challenge question:

- Are you happy that your Head of ICT has procedures in place to monitor and manage risks of outsourced IT services?

If you have any queries, talk to your engagement manager to see how Grant Thornton could help.

Emerging issues and developments

Local government guidance

2010/11 Whole of Government Accounts

The following reports have been published on the audited 2010/11 Whole of Government Accounts (WGA):

- Public Accounts Committee (PAC) issued its [2010/11 WGA report](#) - PAC has recommended that HM Treasury should do more to use WGA accounts to inform decision making and also drew attention to the need for the preparation and audit of WGA to be timelier.
- DCLG published an unaudited consolidated account for [English Local Government 2010/11](#) - the information is high-level, focussing on the consolidated statement of revenue and expenditure, the consolidated statement of financial position and the consolidated statement of changes in taxpayers' equity. There is no breakdown of line items and no comment on cash flows, commitments and off balance sheet liabilities. However, the document does provide links to more detailed local government finance statistics.

Challenge question:

- Has your Director of Resources considered these reports and any lessons for the authority?
- Has your Director of Resources produced a robust and adequately resourced timetable for the production and submission of 2012/13 WGA returns?

Governance statements

The National Audit Office has published '[Fact Sheet: Governance Statements: good practice observations from our audits](#)' providing insight and commentary on the first year of Governance Statement reporting observations on good practice “challenge questions” for those whose role it is to oversee and scrutinise an organisation's Governance Statement.

Challenge questions:

- How do you plan to make your Annual Governance Statement be more transparent and relevant to your authority?
- Have you used the challenge questions in the fact sheet to help inform your review of the Annual Governance Statement?

Emerging issues and developments

Local government guidance

Openness and transparency on personal interests - A guide for councillors

In March, DCLG published ['Openness and transparency on personal interests - A guide for councillors'](#).

This guide provides guidance to councillors about how to be open and transparent about their personal interests now that new standards arrangements have been introduced by the Localism Act 2011.

Challenge question:

- What has your authority done to improve awareness of openness and transparency requirements for councillors?

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8 April 2013

Dear Mike

Planned audit fee for 2013/14

The Audit Commission has set its proposed work programme and scales of fees for 2013/14. In this letter we set out details of the audit fee for the Council along with the scope and timing of our work and details of our team.

Scale fee

The Audit Commission defines the scale audit fee as “the fee required by auditors to carry out the work necessary to meet their statutory responsibilities in accordance with the Code of Audit Practice. It represents the best estimate of the fee required to complete an audit where the audited body has no significant audit risks and it has in place a sound control environment that ensures the auditor is provided with complete and materially accurate financial statements with supporting working papers within agreed timeframes.”

The Council's scale fee for 2013/14 has been set by the Audit Commission at £58,995 which is unchanged from 2012/13.

Further details of the work programme and individual scale fees for all audited bodies are set out on the Audit Commission's website at www.audit-commission.gov.uk/audit-regime/audit-fees/201314-fees-work-programme.

The audit planning process for 2013/14, including the risk assessment, will continue as the year progresses and fees will be reviewed and updated as necessary as our work progresses.

Scope of the audit fee

The scale fee covers:

- our audit of your financial statements
- our work to reach a conclusion on the economy, efficiency and effectiveness in your use of resources (the value for money conclusion)
- our work on your whole of government accounts return.

Chartered Accountants

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A list of members is available from our registered office.

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Value for Money conclusion

Under the Audit Commission Act, we must be satisfied that the Council has adequate arrangements in place to secure economy, efficiency and effectiveness in its use of resources, focusing on the arrangements for:

- securing financial resilience; and
- prioritising resources within tighter budgets.

We undertake a risk assessment to identify any significant risks which we will need to address before reaching our value for money conclusion. We will assess the Council's financial resilience as part of our work on the VfM conclusion and a separate report of our findings will be provided.

Certification of grant claims and returns

The Council's composite indicative grant certification fee has been set by the Audit Commission at £13,100

Billing schedule

Fees will be billed as follows:

Main Audit fee	£
September 2013	14,748.75
December 2013	14,748.75
March 2014	14,748.75
June 2014	14,748.75
Audit Total	58,995
Grant Certification	
June 2014	13,100
Total	72,095

Outline audit timetable

We will undertake our audit planning and interim audit procedures in the period October 2013 to March 2014. Upon completion of this phase of our work we will issue a detailed audit plan setting out our findings and details of our audit approach. Our final accounts audit and work on the VfM conclusion will be completed in September 2014 and work on the whole of government accounts return in September 2014.

Phase of work	Timing	Outputs	Comments
Audit planning and interim audit	October 2013 to March 2014	Audit plan	The plan summarises the findings of our audit planning and our approach to the audit of the Council's accounts and VfM.
Final accounts audit	June to Sept 2014	Audit Findings (Report to those charged with governance)	This report sets out the findings of our accounts audit and VfM work for the consideration of those charged with governance.
VfM conclusion	Jan to Sept 2014	Audit Findings (Report to those charged with governance)	As above
Financial resilience	Jan to Sept 2014	Financial resilience report	Report summarising the outcome of our work.
Whole of government accounts	September 2014	Opinion on the WGA return	This work will be completed alongside the accounts audit.
Annual audit letter	October 2014	Annual audit letter to the Council	The letter will summarise the findings of all aspects of our work.
Grant certification	June to December 2014	Grant certification report	A report summarising the findings of our grant certification work

Our team

The key members of the audit team for 2013/14 are:

	Name	Phone Number	E-mail
Engagement Lead	Peter Barber	0117 305 7784 07780 456122	peter.a.barber@uk.gt.com
Engagement Manager	Peter Smith	0117 305 7832 07780 456140	peter.w.smith@uk.gt.com
Audit Executive	Kathryn Gough	0117 305 7877	kathryn.gough@uk.gt.com

Additional work

The scale fee excludes any work requested by the Council that we may agree to undertake outside of our Code audit. Each additional piece of work will be separately agreed and a detailed project specification and fee agreed with the Council.

Quality assurance

We are committed to providing you with a high quality service. If you are in any way dissatisfied, or would like to discuss how we can improve our service, please contact me in the first instance. Alternatively you may wish to contact John Golding, our Public Sector Assurance regional lead partner (john.golding@uk.gt.com).

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Barber', with a stylized flourish at the end.

Peter Barber
For Grant Thornton UK LLP

TEWKESBURY BOROUGH COUNCIL

Report to:	Audit Committee
Date of Meeting:	26 June 2013
Subject:	Internal Audit Plan Monitoring Report
Report of:	Graeme Simpson, Performance and Audit Manager
Director:	Mike Dawson, Chief Executive
Lead Member:	Councillor Mrs J M Perez
Number of Appendices:	4

<p>Executive Summary:</p> <p>This report summarises the work undertaken by the internal audit section for the period January 2013 – March 2013.</p>
<p>Recommendation:</p> <p>To consider the audit work completed, and the assurance given on the adequacy of internal controls operating in the systems audited.</p>
<p>Reasons for Recommendation:</p> <p>Internal Audit work should comply with the standards specified in the CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom 2006. These standards state that the Head of Internal Audit should make arrangements for interim reporting to the organisation in the course of the year.</p>

<p>Resource Implications:</p> <p>None.</p>
<p>Legal Implications:</p> <p>None directly arising from this report other than acknowledging the importance of monitoring and implementing the outstanding essential recommendations set out in Appendix B in order to improve or establish robust systems, processes and procedures to protect the Council and its assets.</p>
<p>Risk Management Implications:</p> <p>Delays in response to acceptance/implementation of essential audit recommendations lead to weaknesses continuing to exist in systems which have the potential for fraud or error to occur.</p>
<p>Performance Management Follow-up:</p> <p>Outstanding recommendations made by internal audit that are categorised as essential will be proactively monitored through the recommendation template detailed in Appendix B.</p>

Environmental Implications:

None arising directly from this report.

1.0 INTRODUCTION/BACKGROUND

1.1 At the Audit Committee held on 18 April 2012, Members approved the 2012/13 Internal Audit Plan. This is the final monitoring report for the year and summarises Internal Audit work undertaken for the period January-March 2013.

1.2 The section achieved 92% of the Audit Plan. There were two outstanding audits as at 31 March; Equalities and ICT. Days have been allocated within the 2013/14 Audit Plan to complete this work. The Equalities audit is now complete and the audit opinion is included within Appendix A. With regards to ICT, a formal risk assessment of the ICT environment is to be undertaken. This should help identify the higher risk areas and enable audit resources to be effectively deployed.

2.0 INTERNAL AUDIT WORK FOR THE PERIOD

2.1 The Internal Audit work completed in the period is detailed in Appendix A. In previous years, Members agreed to receive detailed information on 'essential' audit recommendations that had not been implemented. These have been identified as a result of follow-up audits which have been carried out to test the implementation of agreed recommendations. Essential recommendations that remain outstanding as a result of follow-up work are detailed in Appendix B. Additional comments relating to the progress of implementing the recommendations have been obtained from the appropriate Manager(s) and are included in the table.

N.B. Changes from the previously reported position are shown in bold type

2.2 At the Audit Committee meeting held on 29 June 2011, Members agreed that, where the level of internal control operating within systems audited had been classified as 'limited' or 'unsatisfactory', further details of the measures that were being taken to address and monitor these issues would be included in future reports to the Committee. Included within the audit opinions in Appendix A are two areas where a limited assurance opinion has been given:

- 1) Creditors (compliance with Financial Procedure Rules)
- 2) Playground Inspections.

A limited assurance statement, providing more detail on the matters identified can be found in Appendix C and D.

3.0 CORPORATE IMPROVEMENT WORK

3.1 Within the 2012/13 Internal Audit Plan is an allocation of days relating to corporate improvement work. As reported previously to Committee, the Performance and Audit Team can collectively identify corporate type activities that may have 'stagnated' or need resolving. Corporate Management Team and Service Managers are aware of this allocation of days and have been encouraged to put forward suggestions where the Team may be able to help. Work undertaken during the period can also be found in Appendix A and this provides progress of the work that was underway at the time of reporting to the last Committee in March.

4.0 RISK MANAGEMENT UPDATE

4.1 At the Audit Committee held on 18 April 2012, internal audit gave a limited assurance opinion on the accuracy of operational risk registers. A discussion ensued on the overall adequacy of the Council's risk management arrangements. The Performance and Audit Manager identified this as a key corporate improvement area and agreed to develop a programme to review risk management arrangements. This programme was reported to Audit Committee on 27 June 2012.

4.2 The Risk Management Strategy has been updated and was formally reviewed by the Overview and Scrutiny Committee at both a workshop held on 2 October and the committee meeting held on 13 November. The Strategy was approved at Executive Committee on 5 December. The Strategy details the implementation of the new directorate risk registers. Draft registers have been produced and need to be both quality assured by the Corporate Governance Group and the incoming set of new Group Managers. Given the organisational review it is considered prudent to include the risk registers within the 2013/14 quarter 1 performance management report.

5.0 CONCLUSION

5.1 The role of internal audit is to examine, evaluate, and report upon, the adequacy of internal controls. The audit work that has been completed has either identified that controls are adequate, or where weaknesses have been identified, recommendations have been made and agreed with management to improve the level of control. All recommendations are subject to an audit follow-up to give assurance they have actually been implemented.

6.0 OTHER OPTIONS CONSIDERED

6.1 None.

7.0 CONSULTATION

7.1 Consultation is carried out with appropriate Managers at the conclusion of each audit to agree recommendations and to agree the timetable for implementation of agreed actions.

8.0 RELEVANT COUNCIL POLICIES/STRATEGIES

8.1 Internal Audit Charter

9.0 RELEVANT GOVERNMENT POLICIES

9.1 None.

10.0 RESOURCE IMPLICATIONS (Human/Property)

10.1 None.

11.0 SUSTAINABILITY IMPLICATIONS (Social/Community Safety/Cultural/ Economic/ Environment)

11.1 None.

12.0 IMPACT UPON (Value For Money/Equalities/E-Government/Human Rights/Health And Safety)

12.1 One of the main purposes of the Council's Contract Procedure Rules and Financial Procedure Rules is to help ensure value for money, propriety, and proper spending of public money. Any identified instances of non-compliance with these rules will make it difficult for these elements to be demonstrated.

13.0 RELATED DECISIONS AND ANY OTHER RELEVANT FACTS

13.1 None.

Background Papers: Internal Audit Plan 2012-13 – Audit Committee 18 April 2012

Contact Officer: Graeme Simpson, Performance and Audit Manager
01684 272002 graeme.simpson@teWKesbury.gov.uk

Appendices: Appendix A – List of audits completed as part of the 2012-13 Audit Plan
Appendix B – List of Outstanding 'Essential' Audit Recommendations
Appendix C – Limited Assurance Statement – Creditors
Appendix D – Limited Assurance Statement – Playground Inspections

List of Audits Completed as part of the 2012/13 Audit Plan

Audit	Audit Objective & Opinion												
Housing Benefits	<p>Control Objectives (CO):</p> <ol style="list-style-type: none"> 1. Housing Benefit forms are assessed and evidence checked to support the application. 2. Quality assurance checks are undertaken to ensure the accuracy of processing. <p>A reconciliation of benefits to Council Tax and general ledger is performed.</p> <p>Audit Opinion</p> <table border="1" data-bbox="472 752 1501 2027"> <thead> <tr> <th data-bbox="472 752 552 853">CO</th> <th data-bbox="552 752 743 853">Assurance Level</th> <th data-bbox="743 752 1501 853">Opinion</th> </tr> </thead> <tbody> <tr> <td data-bbox="472 853 552 1055">1</td> <td data-bbox="552 853 743 1055">Good</td> <td data-bbox="743 853 1501 1055">Appropriate evidence has been supplied in order for the benefit assessment to be undertaken in respect of both new claims and change of circumstances. The assessment of benefit has also been calculated correctly.</td> </tr> <tr> <td data-bbox="472 1055 552 1738">2</td> <td data-bbox="552 1055 743 1738">Satisfactory</td> <td data-bbox="743 1055 1501 1738"> <p>The supervisory check of claims processing is good practice given the inherent risk of claims processing. Checks have been undertaken during the latter part of the year on new claims and change of circumstances supported by checks on claims processed by the Trainee Benefits Officer for the first part of the year. The error rate identified through the supervisory checks is low and this is endorsed by the fact that the housing benefits subsidy claim has always been satisfactorily signed off by external audit.</p> <p>To ensure the ongoing integrity of claims processing this could be enhanced through the implementation of a previous audit recommendation. To ensure resources are effectively deployed it was recommended that the number and type of claims to be checked should be established by adopting a risk based approach. This approach has yet to be adopted. A revised implementation date of June 2013 has been agreed.</p> </td> </tr> <tr> <td data-bbox="472 1738 552 2027">3</td> <td data-bbox="552 1738 743 2027">Satisfactory</td> <td data-bbox="743 1738 1501 2027">A daily reconciliation process between Council Tax and the benefits system was found to be undertaken. A reconciliation between the benefits system and the general ledger is performed and this has been monthly for HB Debtors from AP2 and HB Creditors from AP4. The regularity of the latter reconciliation is mitigated by the fact that the reconciliation when performed is cumulative.</td> </tr> </tbody> </table>	CO	Assurance Level	Opinion	1	Good	Appropriate evidence has been supplied in order for the benefit assessment to be undertaken in respect of both new claims and change of circumstances. The assessment of benefit has also been calculated correctly.	2	Satisfactory	<p>The supervisory check of claims processing is good practice given the inherent risk of claims processing. Checks have been undertaken during the latter part of the year on new claims and change of circumstances supported by checks on claims processed by the Trainee Benefits Officer for the first part of the year. The error rate identified through the supervisory checks is low and this is endorsed by the fact that the housing benefits subsidy claim has always been satisfactorily signed off by external audit.</p> <p>To ensure the ongoing integrity of claims processing this could be enhanced through the implementation of a previous audit recommendation. To ensure resources are effectively deployed it was recommended that the number and type of claims to be checked should be established by adopting a risk based approach. This approach has yet to be adopted. A revised implementation date of June 2013 has been agreed.</p>	3	Satisfactory	A daily reconciliation process between Council Tax and the benefits system was found to be undertaken. A reconciliation between the benefits system and the general ledger is performed and this has been monthly for HB Debtors from AP2 and HB Creditors from AP4. The regularity of the latter reconciliation is mitigated by the fact that the reconciliation when performed is cumulative.
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<p>Equalities</p>	<p>Control Objectives (CO):</p> <ol style="list-style-type: none"> 1. To ensure that evidence provided in respect of the additional new questions stated within the Equalities Framework 2012 is appropriate. 2. To follow up previous audit recommendations made within the Equalities Audit 2011. <p>Audit Opinion</p> <table border="1" data-bbox="470 436 1505 1238"> <thead> <tr> <th data-bbox="470 436 550 533">CO</th> <th data-bbox="550 436 742 533">Assurance Level</th> <th data-bbox="742 436 1505 533">Opinion</th> </tr> </thead> <tbody> <tr> <td data-bbox="470 533 550 907">1</td> <td data-bbox="550 533 742 907">Satisfactory</td> <td data-bbox="742 533 1505 907">The evidence provided in respect of the additional new questions raised within the Equalities Framework 2012 template was found to be appropriate. However, additional evidence and enhancements to some statements concerning the framework controls concerning 'leadership, partnership and organisation commitment' together with 'responsive services and customer care' need to be considered. In addition, the generic question 'what difference will this make' within each performance area needs to be completed.</td> </tr> <tr> <td data-bbox="470 907 550 1238">2</td> <td data-bbox="550 907 742 1238"></td> <td data-bbox="742 907 1505 1238">Actions taken in relation to obtaining information from Ward Councillors, equality issues for Officer led external events, marginalised group engagement and strengthening equalities within SLAs; confirm that 4 out of the 5 recommendations have been implemented. It is recognised that the remaining recommendation concerning the updating of the Community and Engagement Policy would be best completed after the organisational restructure.</td> </tr> </tbody> </table>	CO	Assurance Level	Opinion	1	Satisfactory	The evidence provided in respect of the additional new questions raised within the Equalities Framework 2012 template was found to be appropriate. However, additional evidence and enhancements to some statements concerning the framework controls concerning 'leadership, partnership and organisation commitment' together with 'responsive services and customer care' need to be considered. In addition, the generic question 'what difference will this make' within each performance area needs to be completed.	2		Actions taken in relation to obtaining information from Ward Councillors, equality issues for Officer led external events, marginalised group engagement and strengthening equalities within SLAs; confirm that 4 out of the 5 recommendations have been implemented. It is recognised that the remaining recommendation concerning the updating of the Community and Engagement Policy would be best completed after the organisational restructure.
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<p>Sundry Debt Recovery (Corporate) incl follow up audit</p>	<p>Control Objectives (CO):</p> <ol style="list-style-type: none"> 1. Outstanding debt is accurately reported to Service Managers and Corporate Management on a regular basis. 2. There is an effective corporate framework in place for the recovery of debt raised through the debtor's system. 3. To gain assurance that recommendations of the previous audit have been implemented. <p>Audit Opinion</p> <table border="1" data-bbox="470 1608 1505 2076"> <thead> <tr> <th data-bbox="470 1608 550 1727">CO</th> <th data-bbox="550 1608 742 1727">Assurance Level</th> <th data-bbox="742 1608 1505 1727">Opinion</th> </tr> </thead> <tbody> <tr> <td data-bbox="470 1727 550 2076">1</td> <td data-bbox="550 1727 742 2076">Satisfactory</td> <td data-bbox="742 1727 1505 2076">There is a satisfactory level of assurance that outstanding debt is being reporting to Service Managers and that aged debt greater than 365 days old as a business performance indicator is reported and challenged at Chief Officer level through the review process of quarterly Service Delivery Plans. The performance indicator was reviewed and found to have been accurately stated.</td> </tr> </tbody> </table>	CO	Assurance Level	Opinion	1	Satisfactory	There is a satisfactory level of assurance that outstanding debt is being reporting to Service Managers and that aged debt greater than 365 days old as a business performance indicator is reported and challenged at Chief Officer level through the review process of quarterly Service Delivery Plans. The performance indicator was reviewed and found to have been accurately stated.			
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	2	Satisfactory	<p>A recovery framework has been established, however, the effectiveness of the framework could be enhanced with the development of a Corporate Sundry Debt Recovery Procedure as recommended in the previous audit. Services contributing to debt demonstrated formal recovery procedures, however, these need to be extended to include consideration of the legal stages of recovery and to the allocation of court costs to debtor accounts. Debt is being reviewed and progressed through to the legal stage although the recovery procedures for this stage need to be disseminated to services in accordance with a previous audit recommendation. Monitoring of caseloads through the legal stage is performed with a review of these caseloads being undertaken.</p>
	3		<p>Four out of the nine recommendations are considered implemented. These relate to the implementation of specific service recovery procedures; the use of One Legal's Solcase database in monitoring legal cases including those relating to sundry debt; further assessment of debt through targeting multiple debt, this is specific to trade waste; and awareness of debt recovery responsibilities by Service Managers. One recommendation concerning the challenge of debt through CMT has been mitigated through the Chief Executive's panel challenge of Service Plans on a quarterly basis - which includes service LPIs such as that relating to outstanding debt greater than 365 days. Two recommendations have been partially implemented –the legal recovery procedures have been documented but now need to be issued in a guidance format to service areas and whilst options concerning the collection of income more effectively should be given further consideration within the corporate debt recovery procedures. Two further recommendations have not been implemented in relation to the establishment of corporate sundry debt recovery procedures and the raising of allocated court costs onto the debtors system.</p>

Council Tax	<p>Control Objectives (CO):</p> <ol style="list-style-type: none"> 1. Bills have been raised accurately in accordance with the agreed charges. 2. There is a regular reconciliation of Valuation Office schedules to the Northgate system. 3. A monthly reconciliation is undertaken between Council Tax and the General Ledger. <p>Audit Opinion</p> <table border="1" data-bbox="470 481 1508 1205"> <thead> <tr> <th data-bbox="470 481 550 582">CO</th> <th data-bbox="550 481 742 582">Assurance Level</th> <th data-bbox="742 481 1508 582">Opinion</th> </tr> </thead> <tbody> <tr> <td data-bbox="470 582 550 840">1</td> <td data-bbox="550 582 742 840">Good</td> <td data-bbox="742 582 1508 840">Sample checking of bills including the amounts payable is performed by the Revenues & Benefits Manager, a review of this process provides assurance that bills have been raised accurately in accordance with the agreed charges.</td> </tr> <tr> <td data-bbox="470 840 550 996">2</td> <td data-bbox="550 840 742 996">Good</td> <td data-bbox="742 840 1508 996">There is a regular reconciliation of Valuation Office schedules to the revenues system, with amendments within the schedules being appropriately applied to Northgate.</td> </tr> <tr> <td data-bbox="470 996 550 1205">3</td> <td data-bbox="550 996 742 1205">Good</td> <td data-bbox="742 996 1508 1205">A review of the reconciliation statement file and a sample check of entries within the statements relating to AP4 & AP8 provides assurance that monthly reconciliations (from AP2) between Council Tax and the general ledger are accurately undertaken.</td> </tr> </tbody> </table>	CO	Assurance Level	Opinion	1	Good	Sample checking of bills including the amounts payable is performed by the Revenues & Benefits Manager, a review of this process provides assurance that bills have been raised accurately in accordance with the agreed charges.	2	Good	There is a regular reconciliation of Valuation Office schedules to the revenues system, with amendments within the schedules being appropriately applied to Northgate.	3	Good	A review of the reconciliation statement file and a sample check of entries within the statements relating to AP4 & AP8 provides assurance that monthly reconciliations (from AP2) between Council Tax and the general ledger are accurately undertaken.
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Cash & Bank	<p>Control Objectives (CO):</p> <ol style="list-style-type: none"> 1. Income receipted through the cash office is promptly banked and allocated to the general ledger. 2. Automated telephone payments are effectively controlled. 3. Under and Overs are investigated. 4. Systems transactions are matched promptly to statement transactions 5. A combined cash and bank reconciliation with the general ledger is performed on a monthly basis. 												

Audit Opinion:		
CO	Assurance Level	Opinion
1	Good	Through the testing of 20 daily cash office transactions assurance was obtained that income is promptly banked and allocated to the general ledger.
2	Good	The testing of a sample of 20 daily card payments including those taken through the automated telephone process (ATP) confirmed that the payments are effectively controlled. In that payments made are reconciled to those deposited; they are allocated to the general ledger and payments appear within the relevant service databases.
3	Good	A review confirmed that under and over bankings greater than £10 are reviewed.
4	Good	There is a good level of assurance that system transactions are matched promptly to bank statement deposits. Furthermore, it was noted that the earliest cheques issued dated from September 2012 this is in line with year-end processes of cancelling cheques greater than 6 months old.
5	Good	A combined cash and bank reconciliation with the general ledger is performed on a monthly basis. The reconciliation statements are signed by the Financial Services Manager, the dates for which demonstrated the reviews were carried out promptly. A review of the bank reconciliation process for AP3 & 11 confirmed the accuracy of the reconciliation statements.
Property Services	<p>Control Objective (CO) ;</p> <ol style="list-style-type: none"> 1. Review progress made towards the implementation of the estates management module and its functionality in respect of the recording and monitoring of property leases. 2. Follow-up of audit recommendations made in 2011/12. <ul style="list-style-type: none"> - Assurance should be obtained in respect of the compliance of key lease terms by tenants. - A mechanism for notifying finance in respect of new lease terms relating to rent and insurances should be established. - Asbestos management practices should be enhanced within the authority. 	

Audit Opinion		
CO	Assurance Level	Opinion
1	Satisfactory	<p>Progress has been made towards the implementation of a property database with the estates management module of Uniform and maps (polygons) from the land registry having been successfully installed. Work is currently underway, in conjunction with One Legal, to populate this database with specific asset information. At the time of the audit, a total of 17 assets and their associated leases (30% of the high priority assets) were recorded. Consideration has been given to the prioritisation of each asset and a clear implementation plan developed, against which, progress is monitored through the Corporate Programme Board.</p> <p>The database provides the key functionalities to enable property leases to be effectively managed and monitored; although it is recognised that the population of the database is in its early stages and as a result these functionalities are not being fully utilised. In order to obtain value for money; in respect of the Estates Management module as a whole, utilisation of the database should be considered and reviewed against Property Services work processes in order to identify efficiencies</p>
2		<p>The previous audit, carried out in 2011/12, made 3 recommendations, see above. Two of these recommendations have been partially implemented. In respect of the compliance of key lease terms by tenants, lease terms are now identified in respect of each property however; these should be incorporated within the property inspections in order to demonstrate compliance.</p> <p>With regard to asbestos management, the managing of asbestos procedures have been reviewed to take into consideration new legislation and document relevant work processes. An action does however remain outstanding whereby property inspections should demonstrate that consideration has been given to the occurrence of asbestos and asbestos management plans developed for all Council-owned properties.</p> <p>In respect of notifying Finance of new lease terms, a review of the Uniform Estates Management database established that although the system has the ability to generate diary entries/ reports based on key dates going forward, it does not have capacity to generate</p>

		<p>'alerts' as intended by the audit recommendation. Audit testing did however establish that Financial Services are notified of new lease terms promptly and accurately through the current mechanism (email).</p>									
<p>Creditors</p>	<p>Control Objective (CO) ;</p> <ol style="list-style-type: none"> 1. Financial Procedure Rules (FPR) define responsibility for ordering and payment of goods and services. 2. There is adequate control over the placement of orders and receipt of goods. 3. Amendment to master file records require authorisation. 4. Invoices are only processed if they have been certified by an authorising officer to confirm they are accurate and include all necessary details to meet statutory requirements. 5. There is adequate control over payment processing runs. <p>Audit Opinion</p> <table border="1" data-bbox="469 808 1520 2069"> <thead> <tr> <th data-bbox="469 808 603 875">CO</th> <th data-bbox="603 808 868 875">Assurance Level</th> <th data-bbox="868 808 1520 875">Opinion</th> </tr> </thead> <tbody> <tr> <td data-bbox="469 875 603 1379">1</td> <td data-bbox="603 875 868 1379">Good</td> <td data-bbox="868 875 1520 1379"> <p>The current FPR clearly define responsibility for the ordering and payment of goods and services. In compliance with these rules, an authorised signatory list is maintained, last updated in September 2012. Following implementation of the organisational review, both documents should be reviewed and communicated within the Council in order to reflect the new organisational structure (agreed action). Previous audit recommendations in respect of the communication of the FPR and review of the authorised signatory list have been implemented.</p> </td> </tr> <tr> <td data-bbox="469 1379 603 2069">2</td> <td data-bbox="603 1379 868 2069">Limited</td> <td data-bbox="868 1379 1520 2069"> <p>There is a limited level of assurance in respect of the placement of orders within service areas. From a selection of 20 paid invoices, which focussed on high value purchases; 5 were found to have had no purchase order raised. In compliance with the Councils FPR, an order should be raised for all goods and services (subject to certain exceptions as agreed by the Director of Resources). Audit testing also identified 3 purchase orders and 1 invoice, authorised by Officers where the value had exceeded their approved signatory limit.</p> <p>In addition to the procedural issues identified above, 2 of the sampled invoices were found to be non-compliant to the Contract Procedure Rules; it is therefore recommended that the following are reviewed in order to establish compliance:</p> </td> </tr> </tbody> </table>		CO	Assurance Level	Opinion	1	Good	<p>The current FPR clearly define responsibility for the ordering and payment of goods and services. In compliance with these rules, an authorised signatory list is maintained, last updated in September 2012. Following implementation of the organisational review, both documents should be reviewed and communicated within the Council in order to reflect the new organisational structure (agreed action). Previous audit recommendations in respect of the communication of the FPR and review of the authorised signatory list have been implemented.</p>	2	Limited	<p>There is a limited level of assurance in respect of the placement of orders within service areas. From a selection of 20 paid invoices, which focussed on high value purchases; 5 were found to have had no purchase order raised. In compliance with the Councils FPR, an order should be raised for all goods and services (subject to certain exceptions as agreed by the Director of Resources). Audit testing also identified 3 purchase orders and 1 invoice, authorised by Officers where the value had exceeded their approved signatory limit.</p> <p>In addition to the procedural issues identified above, 2 of the sampled invoices were found to be non-compliant to the Contract Procedure Rules; it is therefore recommended that the following are reviewed in order to establish compliance:</p>
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		<ul style="list-style-type: none"> • Printing of Committee papers (Democratic Services). • Provision of B&B accommodation provided to homeless persons (Housing Options).
3	Good	Amendments to master file records are adequately controlled; through the observation of the input of invoices, assurance was provided that any new creditor files or amendments to existing creditor files require authorisation from a second Officer.
4	Satisfactory	Invoiced VAT values are processed through the creditor's system and are accurately allocated to the VAT ledger code on the main accounting system. Of the 20 invoices sampled all were found to have been appropriately authorised, appropriately coded, including an adequate description of the goods/ services supplied, arithmetically correct and containing valid VAT registration numbers; with the exception of one invoice, whereby the authorised invoice amount had been significantly above the authorising Officer's limit.
5	Satisfactory	Both BACS and cheque payment runs are satisfactorily controlled and regularly reconciled. In respect of cheques; stock is adequately controlled, recorded on a stock register and held securely. Two audit recommendations remain outstanding in respect of the development of operational procedure notes and the running of a duplicate payment report on a regular basis in order to proactively identify any potential duplicate payments.

Corporate Improvement Work	Summary of work undertaken											
Playground inspections	<p>Final – an internal audit review on the inspection regime of Council-owned playgrounds has now been completed. The objective of the audit was based upon two key objectives: -</p> <p>Control Objective (CO)</p> <ol style="list-style-type: none"> 1. Inspections are only undertaken on playgrounds owned by the Council. 2. Playgrounds have been risk assessed, inspections are undertaken and recorded on a regular basis, performed by trained Officers and defects recorded and promptly rectified. <p>Audit Opinion</p> <table border="1" data-bbox="470 683 1509 2074"> <thead> <tr> <th data-bbox="470 683 603 750">CO</th> <th data-bbox="603 683 874 750">Assurance Level</th> <th data-bbox="874 683 1509 750">Opinion</th> </tr> </thead> <tbody> <tr> <td data-bbox="470 750 603 1406">1</td> <td data-bbox="603 750 874 1406">Satisfactory</td> <td data-bbox="874 750 1509 1406"> <p>Through investigation by One Legal it was confirmed that the playgrounds currently being inspected are owned by the Council. Prior to the commencement of the audit it was identified there were three playgrounds within the Wheatpieces area that were being inspected and maintained by the Council but which had not been formally adopted. This has now been resolved through notifying the relevant developer of their responsibility.</p> <p>For completeness purposes, Officers have agreed a recommendation to investigate the ownership of playgrounds detailed within a previous Play Strategy. The Strategy includes non-Council owned playgrounds. This should help towards give assurance that there are currently no playgrounds where the Council should be inspecting but are not.</p> </td> </tr> <tr> <td data-bbox="470 1406 603 2074">2</td> <td data-bbox="603 1406 874 2074">Limited</td> <td data-bbox="874 1406 1509 2074"> <p>The majority of playgrounds have been subject to regular inspections. A review of the inspection regime has identified a number of areas for improvement and for a combination of reasons has resulted in a limited assurance opinion being given. The following was identified:</p> <ul style="list-style-type: none"> • There is no documentary evidence that risk assessments have been recorded. The undertaking of risk assessments is a Royal Society for the Prevention of Accidents (RoSPA) good practice recommendation. • No historic documentation has been retained in relation to warranties, manufacturer's equipment specifications and their associated maintenance requirements. </td> </tr> </tbody> </table>			CO	Assurance Level	Opinion	1	Satisfactory	<p>Through investigation by One Legal it was confirmed that the playgrounds currently being inspected are owned by the Council. Prior to the commencement of the audit it was identified there were three playgrounds within the Wheatpieces area that were being inspected and maintained by the Council but which had not been formally adopted. This has now been resolved through notifying the relevant developer of their responsibility.</p> <p>For completeness purposes, Officers have agreed a recommendation to investigate the ownership of playgrounds detailed within a previous Play Strategy. The Strategy includes non-Council owned playgrounds. This should help towards give assurance that there are currently no playgrounds where the Council should be inspecting but are not.</p>	2	Limited	<p>The majority of playgrounds have been subject to regular inspections. A review of the inspection regime has identified a number of areas for improvement and for a combination of reasons has resulted in a limited assurance opinion being given. The following was identified:</p> <ul style="list-style-type: none"> • There is no documentary evidence that risk assessments have been recorded. The undertaking of risk assessments is a Royal Society for the Prevention of Accidents (RoSPA) good practice recommendation. • No historic documentation has been retained in relation to warranties, manufacturer's equipment specifications and their associated maintenance requirements.
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			<ul style="list-style-type: none"> • The quality of the inspections undertaken. On an annual basis playgrounds are subject to an independent engineering inspection carried out on behalf of the Council's insurers. A review of these inspection records compared to the internal inspections carried out at the same time identified defects that had not been picked up through the internal inspection. • There is no clear audit trail to confirm that defects identified either by the internal or external inspections have been resolved, by whom, when etc. • The inspection template should be updated to ensure consistency when recording inspections. For example, the regularity of inspections, date and signature of inspecting Officer and in particular all playground equipment should be identified on the inspection form. • Refresher training should be provided to inspecting Officers. The last training records are dated 2000. • Informal inspections only are being undertaken at the Finches, Winchcombe – no inspections have been documented. • The Finches playground and the Rollerblade Park, Link Road have not been included on the Council's engineering insurance policy. Therefore, they never been subject to the annual independent inspection by the Council's insurers.
Business Continuity	<p>Completed – the Corporate Business Continuity Plan has been reviewed and updated. The Plan is to be presented to the Committee as a separate Agenda item. This will give the Committee opportunity to make comments on the Plan prior to final approval by Executive Committee. An action plan is attached as an appendix to the Plan to help integrate business continuity arrangements further.</p>		

The level of internal control operating within systems will be classified in accordance with the following definitions:-

LEVEL OF CONTROL	DEFINITION
<i>Good</i>	Robust framework of controls – provides substantial assurance. A few ‘Desirable’ (Rank 3) recommendations (if any)
<i>Satisfactory</i>	Sufficient framework of controls – provides satisfactory assurance – minimal risk. Recommendations mainly in the ‘Desirable’ (Rank 3) category, but one or two ‘Necessary’ (Rank 2) recommendations.
<i>Limited</i>	Some lapses in framework of controls – provides limited assurance. A number of areas identified for improvement. A number of ‘Necessary’ (Rank 2) recommendations, and one or two ‘Essential’ (Rank 1) recommendations.
<i>Unsatisfactory</i>	Significant breakdown in framework of controls – provides unsatisfactory assurance. Unacceptable risks identified – fundamental changes required. A number of ‘Essential’ (Rank 1) recommendations.

Recommendations/Assurance Statement

CATEGORY		DEFINITION
1	Essential	A statutory obligation, legal requirement, Council policy or major risk of loss or damage to Council assets, information or reputation. Where possible it should be addressed as a matter of urgency.
2	Necessary	Necessary for sound internal control and confidence in the system to exist and should be pursued in the short term, ideally within 6 months.

APPENDIX B - INTERNAL AUDIT RECOMMENDATIONS CATEGORISED AS ESSENTIAL THAT HAVE YET TO BE IMPLEMENTED – THESE HAVE BEEN IDENTIFIED THROUGH THE FOLLOW UP PROCESS

Ref	Service Area	Audit	Date of Audit	Recommendation	Original Implementation Date	Assigned To	Agreed Action	Audit Comments	Comments of Manager /Responsible Officer
1.	Direct Services	Trade Waste	Dec 06	R2/3/4/5/6/8/9/11/13/14 (10 recommendations) Ensuring an up to date database of trade waste collections is maintained incl the implementation of a Recovery Policy.	April 2007	Assistant DSO Officer	<ul style="list-style-type: none"> • Implementation of new database. • Introduction of hire agreements. • Village hall collections to be quantified and included on database. • Survey of collections to be carried out and cross referenced to database and Powersolve debtors. • Provision of crew lists. • Implementation of a Recovery Policy. 	<p>A number of audits have been undertaken since the original audit with a 'limited' opinion reached in each case. A further follow up audit completed in February 2012 concluded : -</p> <p>Good progress has been made to reduce the level of arrears</p> <p>A Recovery Policy has been adopted to ensure there is a consistent and robust approach</p> <p>As reported to the previous Audit Committee a follow-up audit was undertaken in relation to the receipt of waste transfer notes. 461 waste transfer notes have been received through the annual renewal. Only 13 remain outstanding and collections have been suspended for these</p>	<p>The recommendations have been implemented with the exception of the physical inspections of bins. It was agreed this would be a service improvement if and when resources become available.</p>

APPENDIX B - INTERNAL AUDIT RECOMMENDATIONS CATEGORISED AS ESSENTIAL THAT HAVE YET TO BE IMPLEMENTED – THESE HAVE BEEN IDENTIFIED THROUGH THE FOLLOW UP PROCESS

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								customers. A further trade waste follow up audit is programmed for Qtr 2 to follow-up all previous recommendations.	
2. 42	Direct Services/ Grounds Maintenance/ Land Drainage & Consultancy/ Property Services/ Development Services	Creditors (Procurement)	Aug 2009	R4./5.Expenditure should comply with the Council's Contract Procedure Rules	March 2010	Various	Agreed. The following activities should be subject to formal tender :- Tree maintenance (Grounds Maintenance) Small building works (Property Services)	Follow-up audit undertaken in March 2010 with a revised implementation date of November 2010 agreed. A select list has been drawn up for each category of works e.g. building & construction, electrical, fire safety, heating and ventilation, etc. The final evaluation spreadsheet has been forwarded to Internal Audit as evidence this has been undertaken. One Legal has verbally confirmed the impending implementation of the select list.	With regards to tree maintenance a formal tender exercise will be undertaken once the tree database has been implemented. A target implementation date for this is October 2013. With regards to small building works, tenders have been evaluated and a select list has been drawn up for each category of works. This will be operational from 1 July 2013.

APPENDIX B - INTERNAL AUDIT RECOMMENDATIONS CATEGORISED AS ESSENTIAL THAT HAVE YET TO BE IMPLEMENTED – THESE HAVE BEEN IDENTIFIED THROUGH THE FOLLOW UP PROCESS

Ref	Service Area	Audit	Date of Audit	Recommendation	Original Implementation Date	Assigned To	Agreed Action	Audit Comments	Comments of Manager /Responsible Officer
								With regards to small building works the recommendation can be considered to be implemented.	
3. 43	Property Services/Land Drainage & Consultancy	Creditors (Procurement)	Aug 2009	R8. Confirmation of services received should be obtained prior to the payment of the invoice (re: heating & ventilation work at Council Offices and Roses Theatre and maintenance work at the Council's Pumping Stations)	March 2010	Property Services Manager/ Project Officer	Agreed.	<p>Follow-up audit undertaken in March 2010 with a revised implementation date of November 2010. It was agreed maintenance files would be implemented for work undertaken at the Council Offices and Roses Theatre and at the Council's Pumping Stations. This will also help to fulfill any Health & Safety obligations.</p> <p>The audit undertaken on the implementation of the estates management database confirms that maintenance files are now being retained and can be linked to each asset on the database.</p> <p>The</p>	<p>Electronic copies of the service sheets are now retained against individual properties.</p> <p>All documents can then be linked to the Estates Management database which is in the process of being set up.</p>

APPENDIX B - INTERNAL AUDIT RECOMMENDATIONS CATEGORISED AS ESSENTIAL THAT HAVE YET TO BE IMPLEMENTED – THESE HAVE BEEN IDENTIFIED THROUGH THE FOLLOW UP PROCESS

Ref	Service Area	Audit	Date of Audit	Recommendation	Original Implementation Date	Assigned To	Agreed Action	Audit Comments	Comments of Manager /Responsible Officer
								recommendation is therefore considered to be implemented.	
4. 44	Corporate	ICT Physical & Environmental Controls	May 2011	R1. With regards to corporate Business Continuity: - The reformation of the Corporate Business Continuity Group. Review and update the Corporate Business Continuity Plan. Review and update of service continuity plans. Review and prioritisation of critical systems.	July 2011	Director of Resources	Agreed to implement the reformation of the corporate group. This would fulfil the first requirement of the audit recommendation. Implementation dates for other agreed actions would need to be agreed by the group.	The follow-up audit confirmed the group had been reformed but has not met on a regular basis. As a result, agreed audit actions have not progressed. This recommendation is also being monitored by the DRIVE Board. The Corporate Business Continuity Plan itself has now been reviewed and updated. Included is an action plan to deliver the remaining issues identified.	Responsibility for Business Continuity needs to be defined within the new organisational structure.

APPENDIX B - INTERNAL AUDIT RECOMMENDATIONS CATEGORISED AS ESSENTIAL THAT HAVE YET TO BE IMPLEMENTED – THESE HAVE BEEN IDENTIFIED THROUGH THE FOLLOW UP PROCESS

Ref	Service Area	Audit	Date of Audit	Recommendation	Original Implementation Date	Assigned To	Agreed Action	Audit Comments	Comments of Manager /Responsible Officer
5. 45	Property Services	ICT Physical & Environmental Controls	May 2011	R.4 A one stop shop approach to fire management should be implemented with all activities rolled up into one contract and let in accordance with the Council's contract procedure rules.	July 2011	Property Services Manager	Agreed. A property services procurement programme is to be implemented and fire management will be included in this programme.	The follow-up audit confirms the original implementation date has not been achieved but the process has now commenced. A revised implementation date of Nov 2012 has been confirmed.	The procurement of fire management activities is a separate exercise to the select list process. This will be a contract in its own right. The newly appointed Asset Manager will take this forward upon implementation of the organisational review.
6.	Direct Services	Vehicle Contract	Jan 2011	R7/8/9 (3 recommendations) A financial limit for recharge works undertaken by the contractor prior to the raising of an order should be set To provide assurance that rechargeable parts are charged at net cost + 15%, the monthly review of parts by the contractor should be provided.	August 2011	Direct Services Officer	All recommendations agreed to be implemented by August 2011.	The follow-up audit confirmed a £250 limit had been agreed whereby any work above this figure would be supported with a written estimate but had not been in implemented in full. A monthly parts pricing schedule has yet to be provided by the contractor and their procurement procedures established. A follow-up audit is currently at draft	The provision of a monthly parts pricing schedule is impractical as quoted but we are working closely with the contractor to demonstrate the principles requested in the audit recommendation are being fulfilled.

APPENDIX B - INTERNAL AUDIT RECOMMENDATIONS CATEGORISED AS ESSENTIAL THAT HAVE YET TO BE IMPLEMENTED – THESE HAVE BEEN IDENTIFIED THROUGH THE FOLLOW UP PROCESS

Ref	Service Area	Audit	Date of Audit	Recommendation	Original Implementation Date	Assigned To	Agreed Action	Audit Comments	Comments of Manager /Responsible Officer
				Procurement procedures used by the contractor should be established so as to determine VFM is being achieved				report stage. Once finalised this will be reported to Audit Committee in September 2013.	

APPENDIX C: Limited Assurance Statement

AUDIT:	Creditors	DATE:	March 2013
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Control Objective:

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Limited Assurance Statement within audit opinion of report	Supplementary information relating to limited assurance statement
<p>There is a limited level of assurance in respect of the placement of orders within service areas. From a selection of 20 paid invoices, which focussed on high value purchases; 5 were found to have had no purchase order raised. In compliance with the Council's Financial Procedure Rules, an order should be raised for all goods and services (subject to certain exceptions as agreed by the Director of Resources). Audit testing also identified 3 purchase orders and 1 invoice, authorised by Officers where the value had exceeded their approved signatory limit.</p> <p>In addition to the procedural issues identified above, 2 of the sampled invoices were found to be non-compliant to the Contract Procedure Rules; it is therefore recommended that the following are reviewed in order to establish compliance:</p> <ul style="list-style-type: none"> • Printing of Committee papers (Democratic Services). • Provision of B&B accommodation provided to homeless persons (Housing Options). 	<p>In respect of the Council's Financial Procedure Rules, a number of non-compliance issues were identified:</p> <p><u>No official purchase order raised</u></p> <p>Audit testing established that for 5 of the 20 invoices sampled no official purchase order had been raised. Financial Procedure Rules state that "official orders must be issued for all work, goods or services to be supplied to the Council, except for supplies of utilities, periodic payments such as rent or rates, petty cash purchases, corporate credit card purchases, or other exceptions specified by the Director of Resources" and that "all orders for goods and services shall be placed using the Council's purchase order system". A further 2 invoices were found to have no purchase order; however, these could be compensated by a contract and/or agreement.</p> <p><u>Total order value and/ or actual invoice amount above the authorised signatory limit of the authorising Officer.</u></p> <p>A purchase order was raised in relation to Northgate Council Tax reduction software for total amount £62,500+vat- authorised signatory limit of the authorising Officer= £15k.</p> <p>A purchase order was raised in relation to Vodafone (new telephone system) for total amount £89,062.54 and an invoice for total amount £36,592.92- authorised signatory limit of the authorising Officer= £20k.</p> <p>A purchase order was raised in relation to EDRMS upgrade for total amount £17,750- authorised signatory limit of the authorising Officer= £5k.</p> <p>Financial Procedure Rules state that "orders must only be raised by an authorised Officer and in adherence to their individual limits".</p> <p>All of the above were retrospectively signed by the Director of Resources during the audit.</p>

E= Essential – Due to statutory obligation, legal requirement, Council policy or major risk of loss or damage to Council assets, information or reputation. Where possible it should be addressed as a matter of urgency.

N= Necessary - Could cause limited loss of assets or information or adverse publicity or embarrassment. Necessary for sound internal control and confidence in the system to exist and should be pursued in the short term, ideally within 6 months.

APPENDIX C: Limited Assurance Statement

AUDIT:	Creditors	DATE:	March 2013
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	<p><u>Non-compliance to the Contract Procedure Rules</u></p> <p>A previous Homelessness audit identified that the accumulation of payments made relating to B&B rent exceeded £5000 on some creditor accounts and that a discussion should therefore take place with the Corporate Solicitor to establish compliance to the Contract Procedure Rules. Audit investigation concluded that a discussion had taken place however, the outcomes are yet to be implemented i.e. a formal agreement established between TBC and B&B landlords to assist in defining Council and landlord responsibilities/ liability and consideration given to a establishing a waiver to the Contract Procedure Rules. Therefore the previous audit recommendation remains outstanding.</p> <p>A review of expenditure in relation to the printing of Committee papers established that for, both 2011 and 2012, the accumulation of payments made in respect of this exceeded £5000. Therefore the arrangement for the printing of Committee papers should be reviewed in order to establish compliance to the Contract and Financial Procedure Rules.</p>
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APPENDIX D: Limited Assurance Statement

AUDIT:	Playground Inspections	DATE:	March 2013
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Control Objective:

49

Limited Assurance Statement within audit opinion of report	Supplementary information relating to limited assurance statement
<p>The majority of playgrounds have been subject to regular inspections. A review of the inspection regime has identified a number of areas for improvement and for a combination of reasons has resulted in a limited assurance opinion being given. The following was identified:</p> <ul style="list-style-type: none"> • There is no documentary evidence that risk assessments have been recorded. The undertaking of risk assessments is a Royal Society for the Prevention of Accidents (RoSPA) good practice recommendation. • No historic documentation has been retained in relation to warranties, manufacturer's equipment specifications and their associated maintenance requirements. 	<p>There is limited assurance in respect of the accuracy of the internal inspections and the information provided on the inspection sheets in that:-</p> <ul style="list-style-type: none"> - a comparison with defects identified on 3 engineering inspections found that 91% of defects had not been reported internally; - equipment has not been included on the inspection sheets; - equipment is misrepresented on the inspection sheets as fencing; and - the sheets do not also provide a checklist on equipment, however, this has been commissioned as part of the RoSPA inspections. <p>With regard to defects reported, no assessment of the risks associated with the defects is performed. This is necessary in order to demonstrate the mitigating actions required to make the area safe in both the short term and long term. In respect of the rectification of defects the following issues were identified:-</p> <ul style="list-style-type: none"> - no process has been put in place to rectify issues identified from the engineering inspections undertaken in 2011 and 2012; - there is assurance that works for defects recorded through the internal inspections have been commissioned. However, there is no documented check on works carried out and there are some discrepancies in completion dates from contractors and the internal inspection reports which would indicate the works had not been completed prior to the invoices being receipted; - there is no documented process in relation to the rectification of defects carried out internally;

E= Essential – Due to statutory obligation, legal requirement, Council policy or major risk of loss or damage to Council assets, information or reputation. Where possible it should be addressed as a matter of urgency.

N= Necessary - Could cause limited loss of assets or information or adverse publicity or embarrassment. Necessary for sound internal control and confidence in the system to exist and should be pursued in the short term, ideally within 6 months.

APPENDIX D: Limited Assurance Statement

AUDIT:	Playground Inspections	DATE:	March 2013
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50

<ul style="list-style-type: none"> • The quality of the inspections undertaken. On an annual basis playgrounds are subject to an independent engineering inspection carried out on behalf of the Council's insurers. A review of these inspection records compared to the internal inspections carried out at the same time identified defects that had not been picked up through the internal inspection. • There is no clear audit trail to confirm that defects identified either by the internal or external inspections have been resolved, by whom, when etc. • The inspection template should be updated to ensure consistency when recording inspections. For example, the regularity of inspections, date and signature of inspecting Officer and, in particular, all playground equipment should be identified on the inspection form. • Refresher training should be provided to inspecting Officers. The last training records are dated 2000. 	<ul style="list-style-type: none"> - the playground inspections for the Finches, Winchcombe were not documented and this playground did not appear on the TBC engineering insurance schedule together with the Rollerblade Park in Oldfield – both these playgrounds have now been appended to the insurance policy; - documentation needs to be retained which demonstrates that the play equipment and surfacing has been risk assessed and also complies to EU standards. Absence of this information has delayed the transfer of certain play areas to Parishes and restricts the evidence available to protect against potential insurance claims; and - documentation concerning warranties and manufacturer maintenance schedules should be retained, these are necessary in order to ensure that equipment is maintained in accordance with manufacturer guidelines and warranty conditions.
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E= Essential – Due to statutory obligation, legal requirement, Council policy or major risk of loss or damage to Council assets, information or reputation. Where possible it should be addressed as a matter of urgency.

N= Necessary - Could cause limited loss of assets or information or adverse publicity or embarrassment. Necessary for sound internal control and confidence in the system to exist and should be pursued in the short term, ideally within 6 months.

APPENDIX D: Limited Assurance Statement

AUDIT:	Playground Inspections	DATE:	March 2013
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<ul style="list-style-type: none"> • Informal inspections only are being undertaken at the Finches, Winchcombe – no inspections have been documented. • The Finches playground and the Rollerblade Park, Link Road have not been included on the Council’s engineering insurance policy. Therefore, they never been subject to the annual independent inspection by the Council’s insurers. 	
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E= Essential – Due to statutory obligation, legal requirement, Council policy or major risk of loss or damage to Council assets, information or reputation. Where possible it should be addressed as a matter of urgency.

N= Necessary - Could cause limited loss of assets or information or adverse publicity or embarrassment. Necessary for sound internal control and confidence in the system to exist and should be pursued in the short term, ideally within 6 months.

TEWKESBURY BOROUGH COUNCIL

Report to:	Audit Committee
Date of Meeting:	26 June 2013
Subject:	Internal Audit Annual Report 2012/13
Report of:	Graeme Simpson, Performance and Audit Manager
Director:	Mike Dawson, Chief Executive
Lead Member:	Councillor Mrs J M Perez
Number of Appendices:	None

Executive Summary:

To provide Members with a summary of internal audit work undertaken during 2012/13 and to provide an opinion on the overall effectiveness of the organisation's control environment.

Recommendation:

To CONSIDER the Internal Audit Annual Report 2012/13 and the assurance from the Performance and Audit Manager that overall a satisfactory level of internal control exists within the systems audited during the year.

Reasons for Recommendation:

The CIPFA Code of Practice for Internal Audit in Local Government in the UK (2006) states that the Head of Internal Audit should present an annual internal audit report including an overall opinion on the control environment and the extent to which the Plan has been achieved. This is also a requirement of the new Public Sector Internal Audit Standards (PSIAS), effective from 1 April 2013.

Resource Implications:

None specific to this report.

Legal Implications:

None specific to this report.

Risk Management Implications:

The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Implementation of audit recommendations should lead to an improved control environment and contribute to the achievement of objectives.

Performance Management Follow-up:

All of the areas where a limited assurance opinion was given will be followed up by internal audit during 2013/14. This will give the Committee assurance as to whether agreed recommendations have been implemented or not.

Environmental Implications:

None arising directly from this report.

1.0 INTRODUCTION/BACKGROUND

- 1.1** The new Public Sector Internal Audit Standards (PSIAS), effective from 1 April 2013 requires the Chief Audit Executive (CAE) to deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement. This was also a requirement of the previous CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom 2006. This report also satisfies proper practices under Regulation 4 of the Accounts and Audit (England) Regulations 2011 in respect of production of an annual governance statement.
- 1.2** The definition of internal audit is 'an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.'
- 1.3** To direct and effectively deploy the audit resource, a risk based annual audit plan is produced and approved by the Audit Committee. The 2012/13 Audit Plan was approved at Audit Committee on 18 April 2012.

2.0 SUMMARY OF 2012/13 WORK

- 2.1** The Annual Audit Plan was informed by the following activities:
- work relevant to the production of the annual governance statement;
 - work on fundamental finance systems;
 - work of a service based nature;
 - corporate improvement work;
 - follow-up work; and
 - consultancy and advice.
- 2.2** Specific reference should be made to corporate improvement work. A number of days were allocated for the first time in 2012/13. In addition to the traditional assurance work undertaken by internal audit, this can be seen as 'added value' work. Through the successful merger of the Corporate Performance Team and Internal Audit Team, to create a Performance and Audit Team, we can collectively help take forward or review areas of corporate concern. Senior management have been made aware of this pot of days and have been encouraged to put forward suggestions where the Team may be able to help. The following corporate improvement work was undertaken during 2012/13 : -
- production of a new Procurement Strategy (DRIVE action and significant governance issue identified in Annual Governance Statement);
 - update of corporate signatory list (improves financial control);
 - audit of Business Grants scheme (Council Plan action);
 - audit of inspection regime for Council-owned playgrounds (key health & safety activity);
 - provided initial administrative support for the office refurbishment project (key corporate project);
 - production of a Tree Management Policy and methodology for the inspection of trees (DRIVE action); and

- risk management (DRIVE action and significant governance issue identified in Annual Governance Statement).

2.3 The Internal Audit Team is also represented on key corporate groups such as the Corporate Governance Group, Equalities Steering Group and Programme Board and is intended to be represented on groups such as the Procurement Group and Business Continuity Group which are to be reformed during 2013/14. The Team also provides ad hoc advice on areas such as Financial Procedure Rules, Contract Procedure Rules, risk, new systems or procedures being implemented etc.

2.4 With regards to work around key financial systems and service related audits, the following were undertaken during 2012/13 :

Data Quality	Housing Benefits
Corporate Sundry Debt Recovery	Debtors
Equalities	Cash & Bank
Budgetary Control	S106 Agreements
Main Accounting System	Disabled Facility Grants
Capital Accounting	Car Parks
Payroll	Cascades
Treasury Management	Property Services
Creditors	Trade Waste
Council Tax	Out of the Hat Shop
Business Rates	

3.0 OPINION ON THE OVERALL ADEQUACY OF THE CONTROL ENVIRONMENT

3.1 The opinion is based upon and limited to the work performed in the year. The opinion does not imply that internal audit has reviewed all risks and assurances relating to the Council, but is based upon the range of individual opinions arising from the audit assignments completed during the year. As well as the internal audit opinion, the Council relies upon other aspects of its assurance framework to help inform the completeness of the Annual Governance Statement. For example, the performance management framework, risk management framework, standards and codes of conduct and external auditor reports help inform the adequacy of the Council's governance arrangements.

3.2 When reporting, internal audit provides a 'split' opinion. This means individual opinions are given for different parts of a system being audited. This approach enables internal audit to identify to management specific areas of control that are operating/not operating as intended. A summary of the number of opinions given during the year can be found in the table below: -

Opinion	Number
Good	37
Satisfactory	32
Limited	4
Unsatisfactory	0
Total	73

- 3.3** Where a limited opinion has been given these have been reported to the Committee in some detail through the quarterly monitoring reports. These opinions relate to specific aspects of the area audited and were as follows: -
- S106 Agreements (monitoring arrangements);
 - Trade Waste (checking accuracy of the database);
 - Playground inspections (defect reporting, documentation of risk assessments, recording of inspections); and
 - Creditors – purchase ordering (non compliance with Financial Procedure Rules).
- 3.4** For all of the above, recommendations for improvement have been made and accepted by management. Assurance that the recommendations have been implemented will be obtained through a series of follow-up audits to be undertaken during 2013/14.
- 4.0 FRAUD**
- 4.1** Apart from a minor incident at Cascades, the theft of a £20 float from the cash register, there have been no other fraud or theft issues identified by or reported to internal audit during the year. The Cascades incident was reported to Audit Committee on 26 September 2012.
- 5.0 SUMMARY OF AUDIT PERFORMANCE**
- 5.1** The performance monitoring information for achievement against the Plan, is based on the number of completed audits vs. the number of planned audits (i.e. an output measure). The outturn for the twelve month period is 92%. This is above the 'industry' target of 100%. In addition to this, internal audit has received a 'good' level of client satisfaction. Further performance information and the conclusion that internal audit remains effective is detailed in the report, 'Review of effectiveness of Internal Audit' which is also an Agenda item for the meeting.
- 6.0 CONCLUSION**
- 6.1** Where system weaknesses have been identified, recommendations to improve the level of control have been made and accepted by management. The overall conclusion is that generally, a satisfactory level of control exists within the overall control environment.
- 7.0 OTHER OPTIONS CONSIDERED**
- 7.1** None.
- 8.0 CONSULTATION**
- 8.1** One of the key performance indicators relates to the use of a client survey.
- 9.0 RELEVANT COUNCIL POLICIES/STRATEGIES**
- 9.1** Internal Audit Charter.
- 10.0 RELEVANT GOVERNMENT POLICIES**
- 10.1** None.
- 11.0 RESOURCE IMPLICATIONS (Human/Property)**
- 11.1** None.
- 12.0 SUSTAINABILITY IMPLICATIONS (Social/Community Safety/Cultural/ Economic/ Environment)**
- 12.1** None.

13.0 IMPACT UPON (Value For Money/Equalities/E-Government/Human Rights/Health And Safety)

13.1 None.

14.0 RELATED DECISIONS AND ANY OTHER RELEVANT FACTS

14.1 None.

Background Papers: Internal Audit Plan 2012/13

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Appendices: None

TEWKESBURY BOROUGH COUNCIL

Report to:	Audit Committee
Date of Meeting:	26 June 2013
Subject:	Annual Review of the Effectiveness of Internal Audit 2012/13
Report of:	George Hill, Director of Resources
Director:	George Hill, Director of Resources
Lead Member:	Councillor Mrs J M Perez
Number of Appendices:	None

<p>Executive Summary:</p> <p>This report satisfies the statutory requirement for the Council to review its internal audit function at least annually, based on proper practice as set out by the Chartered Institute of Public Finance and Accountancy (CIPFA).</p> <p>The report informs Members of the outcome of the 'light touch' review of the effectiveness of Internal Audit as required under the Accounts & Audit (England) Regulations 2011. A 'light touch' review has been undertaken on the basis that, with effect from 1 April 2013, proper practice will be set out in the new Public Sector Internal Audit Standards (PSIAS).</p>
<p>Recommendation:</p> <p>Members are asked to APPROVE the review process and CONSIDER the outcome of the review of the effectiveness of internal audit.</p>
<p>Reasons for Recommendation:</p> <p>The Accounts and Audit (England) Regulations 2011 includes the requirement for authorities to review the effectiveness of Internal Audit once a year.</p>

<p>Resource Implications:</p> <p>None specific to this report.</p>
<p>Legal Implications:</p> <p>None specific to this report.</p>
<p>Risk Management Implications:</p> <p>Material non-compliance with the CIPFA Code of Practice for Internal Audit would have a significant impact such as potential adverse comment from our external auditors, and an impact on the level of the external audit fee.</p>

Performance Management Follow-up:

A full review against the new PSIAS will be undertaken during 2013/14 and reported to Audit Committee in June 2014.

Environmental Implications:

None arising directly from this report.

1.0 INTRODUCTION/BACKGROUND

- 1.1** The Accounts and Audit (England) Regulations 2011 includes the requirement for authorities to review the effectiveness of Internal Audit at least annually. The regulations further state that the findings of this review should be included in the Annual Governance Statement (AGS).
- 1.2** CIPFA has established a Code of Practice for Internal Audit in Local Government which is 'proper practice' for the purpose of the regulations; this report considers whether Internal Audit meets the code's requirements, using a checklist produced by CIPFA.
- 1.3** The review has adopted a 'light touch' approach given that a new set of standards, the Public Sector Internal Audit Standards (PSIAS) came into effect on 1 April 2013. The 2013/14 review of effectiveness will measure compliance against these standards and the outcome will be reported to Audit Committee in June 2014. As a reminder to the Committee, a requirement of these standards is that an independent assessment of internal audit's compliance against the standards should be undertaken every 5 years.

2.0 RESULTS OF THE REVIEW**2.1 Compliance with the CIPFA Code**

- 2.1.1** The checklist provided with the Code has been reviewed and the section remains broadly compliant with the Code. There are no areas considered to be of material non-compliance. Audit documentation and procedures will be reviewed during the course of 2013/14 to ensure compliance with PSIAS.

2.2 External Audit reliance on Internal Audit's work

- 2.2.1** The Council's previous auditors, the Audit Commission previously felt able to place reliance on the work of internal audit and no adverse comments have ever been received. Through close work with the new auditors, Grant Thornton, this reliance is expected to continue.

2.3 Audit Committee Function

- 2.3.1** An effective system of internal audit requires that the functions of an Audit Committee are formally and robustly carried out. The Council has an Audit Committee which broadly complies with the CIPFA guidance on Audit Committees. A formal review of the effectiveness of the Committee was last undertaken in 2010. The review was based upon the CIPFA Better Governance Forum publication entitled '*A Toolkit for Local Authority Audit Committees*'. Given the timescale since the last formal review it would be prudent to carry out this again during 2013/14. Early indication from CIPFA is that it is planning to produce a new publication on Audit Committees in the latter part of this year and this may contain an evaluation tool.

2.4 Corporate Improvement Work

2.4.1 Within the 2012/13 Annual Audit Plan was a pot of days to undertake corporate improvement work. These days have been used to take forward areas of corporate work that have stagnated and helps internal audit ‘add value’ to the organisation. As detailed within the annual report, the following work was carried out:

- update of the corporate signatory list;
- rewrite of the procurement strategy;
- implementation of a new tree management policy and methodology for inspections;
- review of playground inspections; and
- administrative support to the office rationalisation project.

Days have been allocated within the 2013/14 Annual Plan for similar type of work and areas already identified are:

- update of the Corporate Business Continuity Plan;
- review of the duplicate payments report; and
- update of the Staff Handbook.

2.5 Corporate Support

2.5.1 In addition to ‘hands on’ corporate improvement work, the Internal Audit team provides valuable corporate advice and consultancy to key governance areas. This includes membership of the Project Management Board (to challenge and scrutinise corporate projects), Corporate Governance Group (to help facilitate the effectiveness of risk management arrangements, production of the Annual Governance Statement etc.), the Equalities Steering Group (to help embed the equalities framework). During 2013/14 both the new Procurement Strategy action plan and the Business Continuity action plan has a key action of reviving a corporate group to take these activities forward. It is the intention that internal audit will be represented on both these groups.

2.6 Key Performance Indicators

2.6.1 Performance is regularly monitored by the Performance and Audit Manager and is reported to Members as part of the Internal Audit plan monitoring report which is presented to the Audit Committee on a quarterly basis. There are two key performance indicators : --

KPI	Target	Perf. 2010/11	Perf. 2011/12	Perf. 2012/13
% of audit plan completed	90%	94%	94%	92%
Level of Customer Satisfaction	Good (3)	Good (Score 3.35)	Good (Score 3.42)	Good (Score 3.22)

In addition to the above, internal audit also provide, on a quarterly basis to the Audit Committee, a summary of all essential recommendations that were agreed to be implemented but that remain outstanding as a result of follow-up work undertaken. As an additional note, all internal audit recommendations that were made during the year have been accepted by management.

With regards to customer satisfaction, at the completion of an audit the auditee is asked to complete a questionnaire giving their views over a range of questions (on a scale of 1-4, 1 = Poor; 4 = Very Good) on the audit. In addition to the scoring on the survey forms, the auditee is invited to include any comments they may wish to make about service delivery. These comments form valuable feedback.

2.7 Additional scrutiny

2.7.1 The performance of the section is also reported through the Council's performance management framework. This is reported on a quarterly basis to the Overview and Scrutiny Committee. Monthly meetings are also held with the Lead Member for Corporate Governance to provide an update on internal audit activity and regular meetings are also held between the Performance and Audit Manager and the Director of Resources.

3.0 CONCLUSION

3.1 Taking all the above factors into account, the conclusion is that the Council currently has an effective system of internal audit. A similar opinion has been reached in previous years.

4.0 OTHER OPTIONS CONSIDERED

4.1 None.

5.0 CONSULTATION

5.1 One of the key performance indicators relates to the use of a client survey.

6.0 RELEVANT COUNCIL POLICIES/STRATEGIES

6.1 Internal Audit Charter.

7.0 RELEVANT GOVERNMENT POLICIES

7.1 None.

8.0 RESOURCE IMPLICATIONS (Human/Property)

8.1 None.

9.0 SUSTAINABILITY IMPLICATIONS (Social/Community Safety/Cultural/ Economic/ Environment)

9.1 None.

10.0 IMPACT UPON (Value For Money/Equalities/E-Government/Human Rights/Health And Safety)

10.1 None.

11.0 RELATED DECISIONS AND ANY OTHER RELEVANT FACTS

11.1 None.

Background Papers: CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom 2006

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Appendices: None

TEWKESBURY BOROUGH COUNCIL

Report to:	Audit Committee
Date of Meeting:	26 June 2013
Subject:	Corporate Business Continuity Plan
Report of:	George Hill, Director of Resources
Director:	George Hill, Director of Resources
Lead Member:	Councillor Mrs J M Perez
Number of Appendices:	Two

Executive Summary:

The Council's Corporate Business Continuity Plan is a key document which formalises and facilitates the recovery process following a disruption that seriously impedes the Council's ability to maintain its normal services. The current Corporate Business Continuity Plan was approved at Executive Committee on 9 September 2009. A review of this Plan was undertaken in May 2013 and this report invites Members of the Audit Committee to comment on the updated Corporate Business Continuity Plan and action plan prior to approval at Executive Committee.

Recommendation:

To CONSIDER the Corporate Business Continuity Plan and associated action plan and to RECOMMEND TO THE EXECUTIVE COMMITTEE that the Plan be APPROVED.

Reasons for Recommendation:

The Civil Contingencies Act 2004 places a statutory duty on local authorities to ensure that they are prepared, as far as reasonably practical, to continue to provide critical functions in the event of an emergency or disruption. In order to demonstrate a duty of care to our customers and an adequate level of preparedness, it is important for the Council to have a clear Business Continuity Plan in place which will increase its recovery capabilities in an emergency.

Resource Implications:

None arising directly from this report.

Legal Implications:

The Civil Contingencies Act 2004 requires local authorities to maintain Business Continuity Plans.

Risk Management Implications:

Delivery of the revised Corporate Business Continuity Plan will reduce the risk of Council services being unduly affected should there be a major incident and assist in the mitigation of the following risks:

- Financial, legal and regulatory penalties through failure to provide statutory services.
- Loss of income.
- Reputational damage.

Performance Management Follow-up:

An annual review and testing of the Corporate Business Continuity Plan will be undertaken by the Business Continuity Group. As a result of testing, any changes to the Plan will be agreed with the Chief Executive.

Environmental Implications:

None arising directly from this report.

1.0 INTRODUCTION/BACKGROUND

1.1 The Corporate Business Continuity Plan aims to build organisational resilience to ensure that the Council is able to provide critical services during an emergency that causes disruption to usual working conditions. Regular review and testing of the Plan will help the Council to prepare for potential disasters/ emergencies and minimise disruption if an incident were to occur.

2.0 BUSINESS CONTINUITY

2.1 The current Corporate Business Continuity Plan was produced in 2009; a review had therefore been undertaken in order to ensure that:

- the Plan remains relevant to current service delivery;
- key service continuity risks have been identified;
- corporate contact details are correct and up to date; and
- key contacts for office tenants, outside services and organisations have been identified.

2.2 Amendments and/or additions made to the Plan are highlighted at Appendix 1. (Note that personal contact details are not included within the published document, however, these are available to the Business Continuity Team and will require updating following implementation of the Organisational Review).

2.3 In order to further strengthen the Council's business continuity arrangements, an action plan has been developed and is set out at Appendix 2. There are many kinds of event that can potentially disrupt services and completion of the action plan will ensure that our arrangements are effective and co-ordinated, concentrating our attention on our most vital services and the resources on which they depend. A key action within the action plan is the development of a service priority list which will identify critical services and appropriate recovery timescales, should a major disruption occur.

2.4 It is important to note that emergency response planning is separate from business continuity planning, although there are commonalities. The Council's Emergency Response Guide assists the authority with preparations to respond to major incidents, such as flooding, that may affect the community.

3.0 OTHER OPTIONS CONSIDERED

3.1 None.

4.0 CONSULTATION

4.1 None.

5.0 RELEVANT COUNCIL POLICIES/STRATEGIES

5.1 Tewkesbury Borough Emergency Response Guide.

6.0 RELEVANT GOVERNMENT POLICIES

6.1 Civil Contingencies Act 2004.

7.0 RESOURCE IMPLICATIONS (Human/Property)

7.1 Set out in Corporate and Service Business Continuity Plans.

8.0 SUSTAINABILITY IMPLICATIONS (Social/Community Safety/Cultural/ Economic/ Environment)

8.1 None.

9.0 IMPACT UPON (Value For Money/Equalities/E-Government/Human Rights/Health And Safety)

9.1 None.

10.0 RELATED DECISIONS AND ANY OTHER RELEVANT FACTS

10.1 None.

Background Papers: None.

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Appendices: Appendix 1 – Corporate Business Continuity Plan
Appendix 2 – Business Continuity Action Plan



Corporate Business Continuity Plan

PURPOSE

The Civil Contingencies Act 2004 places a statutory duty on local authorities to ensure that they are prepared, as far as reasonably practical, to continue to provide critical functions in the event of an emergency or disruption. This business continuity plan will formalise and facilitate the recovery process following a disruption that seriously impedes the council's ability to maintain its normal services. The document does not detail the council's emergency response procedures; which are documented in the Tewkesbury Borough Emergency Response Guide.

AIMS

The Business Continuity Plan aims to:

1. Ensure the council is aware of the potential for and the impact of disruption.
2. Mitigate the risks and consequences.
3. Provide a framework for maintaining the council priority services in the event of serious disruption.
4. Respond effectively to an emergency.
5. Communicate effectively with staff, suppliers/partners and the public during an emergency.
6. Return to normal customer service in the quickest possible time.

OBJECTIVES

In order to deliver the above aims, the objectives of the business continuity plan are to:

- Establish the potential impact on council services and minimise the risk of disruption through careful planning.
- Prioritise service impact and produce a corporate plan that indicates capacity requirements to recover services, and the areas that have greatest community impact.
- Ensure officers understand the business continuity process; providing learning opportunities to develop and improve the plan, as well as the council's ability to deploy the plan.
- Regularly and formally review the Corporate and Service Business Continuity Plans.
- Comply with the duties under the Civil Contingencies Act 2004.

APPROACH

The diverse causes and impact of service disruption militate against detailed and specific planning. Tewkesbury Borough Council's approach to business continuity planning is that:

- The Business Continuity Plan is a guide that should, dependent upon the disruption that may occur, be flexibly applied in the best interests of the council and the communities it serves.
- Council officers identified in the plan are empowered to pragmatically use their experience and skills to fulfil their duties following an incident; but that:
- Officers must discharge their duties within legal frameworks; and
- Officers assure probity by maintaining audit trails of their activity and decision making.

RESPONSIBILITIES

All staff have a responsibility to mitigate risk and support the council's business continuity arrangement, but in overall terms:

- The chief executive has overall responsibility for business continuity.
- The director of resources has responsibility for coordinating the production, use and update of the Corporate Business Continuity Plan.
- Directors must ensure there are adequate arrangements in place to ensure Business continuity.
- Service managers have responsibility for maintaining and reviewing their individual Service Business Continuity Plans.
- All staff should be aware of their service Business Continuity Plan and should inform their service manager if their contact details change.

SERVICE CONTINUITY RISKS

In developing this Corporate Business Continuity plan and individual service continuity plans, consideration has been given to the following risks:

- Loss of premises (unable to access building e.g. fire, flood, severe weather etc).
- Loss of staff (e.g. flu pandemic, strike, severe weather, transport disruption etc).
- Loss of utilities (e.g. electricity, gas, water, fuel etc).
- Loss of ICT and communication systems (e.g. virus, hacking, theft, fire, flood etc).
- Loss of key suppliers.

Delivery of this plan following an emergency or disruption will assist in the mitigation of the following risks:

- Financial, legal and regulatory penalties through failure to provide statutory services.
- Loss of income.
- Reputational damage.
- Human resource issues.

	Para No	Page No
Receiving initial incident report	1.0	5
Who can authorise the initiation of this plan?	2.0	5
Business Continuity Management Team	3.1ii	8
Making an initial assessment	3.1v	8
Getting service recovery under way	3.2.0	9
Emergency office accommodation and services	3.2.1	9
Emergency purchasing arrangements	3.2.2	9
Dealing with the media	3.2.3	9
Specialist services	3.2.5	9
Telephones, post and ICT	3.2.6	9
Staffing	3.2.7	9
Maps and drawings of council buildings	3.2.8	9
Council office tenants	3.2.9	10
Stand down of the Business Continuity Team and the plan	3.3	10
Responsibility for maintaining and monitoring this plan	4.1	10
Distribution of this plan	4.2	10
Reviews and testing	4.3	10
Risk management	4.4	11
 <u>Annexes</u>		
A: Initial assessment form		12
B: Action log		15
C: Schedule of departmental business continuity plans		16
D: Key contacts- outside services and organisations		17
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 Version Control.....		 21

1.0 RECEIVING INITIAL REPORT OF INCIDENT

i) In the event that the Council Offices (or part of), at Gloucester Road, Tewkesbury, are not accessible due, for example, to fire, flood or act of terrorism; where this occurs outside of normal office opening hours, first contact should be made with:

INITIAL CONTACT & CALL-OUT LIST ¹			
Officer	Office	Home	Mobile
Chris Johns Property and Estates Manager	07795 061016		
Bill Cocking Caretaker	01684 272274		
George Hill Director of Resources	01684 272111		

- ii) The officer taking the call will complete an 'Incident Assessment Sheet' (see annex A), and from that, or a site visit, will determine the need to escalate the situation.
- iii) If the situation appears to require the activation of the Business Continuity Plan, the officer should contact and appraise the director of resources of the situation.
- iv) If the director of resources is not available, the officer should contact, in order, the officers listed in Section 2, "Initial Contact and Call-out List".

2.0 AUTHORISATION TO ACTIVATE THE CONTINUITY PLAN

i) Only those members of the Business Continuity Management Team (BCMT) set out below are authorised to initiate the plan:

INITIAL CONTACT & CALL-OUT LIST ¹			
Officer	Office	Home	Mobile
George Hill Director of Resources	01684 272111		
Mike Dawson Chief Executive	01684 272001		
Sara Freckleton Borough Solicitor	01684 272011		

- ii) The BCMT should be contacted in the order set out above.
- iii) The BCMT officer contacted will need to be satisfied that the situation is an incident likely to significantly impact on the Council's ability to deliver its services to the community.
- iv) The officer reporting the incident (see section 1) should appraise the BCMT officer using initial detail from the Incident Assessment Sheet (see annex A).
- v) The officer reporting the incident should immediately enter onto the Incident Assessment Sheet:
 - The name of the BCMT officer who made the decision.
 - The decision and instructions given.
 - The date and time of that contact.

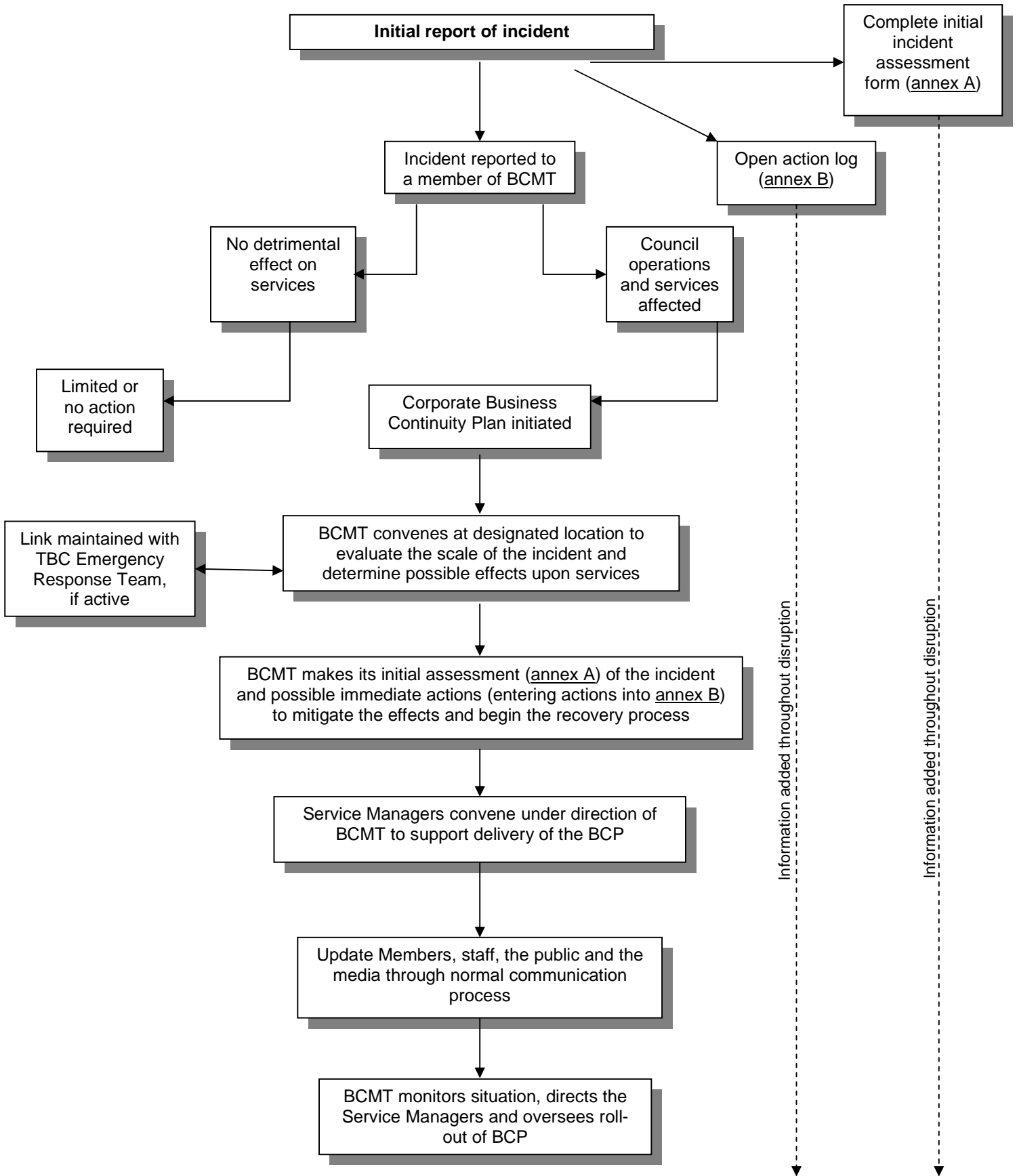
¹ Personal contact details not included in published document but are available to Business Continuity Team

3.0 ACTIVATING THE BUSINESS CONTINUITY PLAN

There are three phases in the plan:

1. Immediate action
2. Recovery action
3. Exit

A diagram illustrating the early stages of the recovery process is shown overleaf.



3.1 IMMEDIATE ACTION PHASE

- i) Initial report of disruption to council services (e.g. from member of staff, public or emergency services) is received.
- ii) The officer authorising the initiation of the BCP convenes the BCMT which comprises:

BUSINESS CONTINUITY MANAGEMENT TEAM (BCMT)¹			
Officer	Office	Home	Mobile
Mike Dawson - Chief Executive	01684 272001		
Sara Freckleton- Borough Solicitor	01684 272011		
Verna Green – Director of Community	01684 272198		
George Hill- Director of Resources	01684 272111		
Mella McMahon- Director of Development	01684 272050		
Tina Nicholls - Customer Services and IT Manager	01684 272117		
Clare Davies - Communications Officer	01684 272291		

- iii) The BCMT will convene as soon as possible and in the event that all areas of the Council Offices, Gloucester Road, Tewkesbury are inaccessible, will be situated in the Depot, Swindon Lane, Cheltenham.
- iv) If the assessment determines that the incident will affect the operation of the council it will activate the plan:
 - a. The directors or their nominated deputies (see listing on Page 20) will cascade information to staff.
 - b. The borough solicitor will notify group leaders and the lead member for business continuity to cascade to other members.
 - c. The communications officer will notify the media.
 - d. The director of community will notify county emergency planning.
 - e. The director of resources will inform the insurers, the office tenants and liaise with the property and estates manager.
 - f. Service managers will be put on standby (see annex E).
 - g. Formal assessment of the building will be undertaken by the Fire Service, electrical contractor, Building Control and Property Services.
- v) The BCMT will reassess the situation prior to activating the Recovery Action Phase based upon updates from TBC officers involved in the response to the disruption, or from the emergency services and TBC's Emergency Response Team (in an emergency situation).

¹ Personal contact details not included in published document but are available to Business Continuity Team

3.2.0 RECOVERY ACTION PHASE

- i) Service managers or nominated representatives to action Service BCP's (see [annex C](#)).
- ii) BCMT will meet regularly to reassess the initial situation, report and monitor the implementation and progress of the recovery action phase.
- iii) Service managers to meet daily, or as determined by the disruption, with BCMT.

3.2.1 Emergency office accommodation and services

Within the appended action plan, consideration will be given to the urgency with which systems and services should be recovered following an incident and possible alternative accommodation for the re-location of council staff on a short, medium and long term basis.

3.2.2 Emergency purchasing arrangements

Under the council's constitution, officers have delegated powers to purchase goods and services that are in the interest of the council in any emergency. However, purchasing of IT and office equipment should be centralised to control expenditure and assure efficiency.

3.2.3 Dealing with the media

There will be immediate media interest when an emergency disrupts services. We should endeavour to use this positively to communicate to service users and the council's residents and businesses on how services are affected, what we are doing to recover them, and how services can be accessed in the interim. **Refer all media enquiries to the BCMT. Any messages going out to the public should be coordinated by the communications officer.**

3.2.4 Specialist services

A range of specialist companies and suppliers, providing maintenance and support, that may be required to assist the Council to restore its services is located at [annexe D](#).

3.2.5 Telephones, IT and post

- a. Recovery of telephones and IT in the immediate and longer term, and the provision of laptops, email facilities etc are covered by the ICT Business Continuity Plan.
- b. Arrangements for incoming and outgoing mail are included in the Business Continuity Plan for Property Services.

3.2.7 Staffing

Initial and phased staffing for the recovery phase is identified **within individual service continuity plans**; the appropriate director is responsible for providing staff accordingly.

3.2.8 Maps and drawings of council buildings

The property and estates manager will hold both paper and electronic copies of plans of the main offices with an additional set held off-site at Swindon Road Depot.

3.2.9 Council Office Tenants

It is the responsibility of the director of resources to inform tenants of the situation and to make arrangements for suspension of rent, where appropriate, as per the lease.

3.3 EXIT PHASE

- i. The BCMT will determine when all services have returned to normal working.
- ii. The BCMT must satisfy itself that the physical working surroundings will reasonably allow for the continuing normal service delivery and access for all stakeholders in a safe and secure environment.
- iii. Staff and unions will be apprised of the normalisation of services.
- iv. Council office tenants will be informed of restored access to the building.
- v. Members, media and the general public will be advised.

4.0 MONITORING and MAINTENANCE OF THE BCP

4.1 Maintaining and amending the plan

The responsibility for ensuring that this document is up to date rests with the chief executive, supported by the Business Continuity Group. When a possible amendment is identified it should be passed to the Business Continuity Group for consideration, who will make changes to the plan as appropriate.

4.2 Distribution of this plan

The Corporate Business Continuity Plan will be published on the council intranet. However, should we experience total computer systems failure, hard copies should be held by:

- i. Business Continuity Management Team
- ii. Directors
- iii. Service managers
- iv. Tenants

4.3 Reviews and testing

The review and testing of this plan is the ultimate responsibility of the chief executive, supported by the Business Continuity Group. The plan will be tested annually by the Business Continuity Group through a desk-top exercise. As a result of this testing, the group will identify training/ refresher training for key personnel in disaster preparedness, incident management, recovery, risk management, dealing with the media and will agree with the chief executive any changes to the plan. Every 12 months service BCP's will be checked and where necessary revised.

4.4 Risk management

The need to activate this plan is mitigated through a range of precautions to help the council protect itself from exposure to foreseeable incidents. The key activities are:

Fire	<ul style="list-style-type: none"> • Fire alarms tested weekly. • Trained Fire Wardens within all buildings. • No Smoking Policy except in limited designated areas. • Adequate provision of fire fighting equipment. • All non essential electrical equipment switched off out of normal office hours. • Automatic fire alarms fitted with direct line through to the Fire Service Control Centre. • Annual inspection of all portable electrical appliances.
Acts of Terrorism	<ul style="list-style-type: none"> • Post room procedure for the opening of all incoming mail to identify potential suspect packages. • Access to the building limited by security cards. • Cyber-terrorism – ICT controls
Loss of Electrical Power	<ul style="list-style-type: none"> • Regular statutory inspection • Testing of back-up generator
IT & Communication Failures	<ul style="list-style-type: none"> • Servers and communications equipment provided with uninterrupted power supplies (UPS). • Backup of data 5 nights a week and stored in fire proof safe within ICT and off-site locations. • Anti-virus protection. • 24/7 event alerts for critical failures. • Capability for IT services to be accessed remotely from employees homes and third party locations. • Provision of mobile / smart phones to key workers and integration of privately-owned devices. • Provision of radios to key workers. • Offsite Disaster Recovery (DR) site. • ICT business continuity plan in place.
Flood/ severe weather	<ul style="list-style-type: none"> • Severe weather policy in place, providing basic advice and guidance for staff. • Possible responses to absence specified e.g. annual leave, flexi, unpaid leave etc. • Guidance provided for employees required to maintain services.

INITIAL INCIDENT ASSESSMENT

Completed by:

Date:

Time:

WHAT IS THE NATURE OF THE INCIDENT?

--

WHICH BUILDINGS AND SERVICES ARE INVOLVED?

--

WHEN DID IT HAPPEN?

Time:	Date:
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Tewkesbury Borough Council Corporate Business Continuity Plan

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HAS CLEARANCE BEEN GIVEN BY THE EMERGENCY SERVICES TO USE THE BUILDINGS? IF SO, WHO BY AND WHEN?

IS IT SAFE TO USE ALL OR PARTS OF THE BUILDINGS?

WHAT COUNCIL SERVICES ARE AFFECTED?

WHAT ACTIONS HAVE BEEN TAKEN SO FAR?

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TIME AND DATE CONTACT MADE WITH BUSINESS CONTINUITY MANAGEMENT TEAM:

DECISION AND INSTRUCTIONS GIVEN BY BUSINESS CONTINUITY MANAGEMENT TEAM:

NAME OF BUSINESS CONTINUITY TEAM OFFICER WHO MADE THE DECISION:

ACTION LOG

Action Initiated				Action Detail	Action Completed			Comments
Date	Time	By Whom?	To Whom?		By Whom?	Date	Time	

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Annex C

SCHEDULE OF DEPARTMENTAL BUSINESS CONTINUITY PLANS

Department/Section	Service Manager	Work Contact No
Property Services	Chris Johns	07795 061016
Financial Services	Simon Dix	01684 272005
Performance and Audit	Graeme Simpson	01684 272002
Development Control	Paul Skelton	01684 272102
Planning Policy	Nigel Gilmore	01684 272089
Leisure & Culture	Andy Sanders	01684 272094
Housing Options	Val Garside	01684 272259
Housing Enabling	Frances Evans	01684 272162
Economic Development and Tourism	Julie Wood	01684 272095
Customer Services	Tina Nicholls	01684 272117
ICT	Tina Nicholls	01684 272117
Human Resources	Janet Martin	01684 272057
Revenues and Benefits	Richard Horton	01684 272119
Democratic Services	Lin O'Brien	01684 272020
One Legal	Peter Lewis	01684 272012
Residential Services	David Steels	01684 272172
Commercial Services	Sonia Bagshaw	01684 272173
Direct Services	Nick Firkins	01684 272199

KEY CONTACTS- OUTSIDE SERVICES & ORGANISATIONS²

Service	Company Name	Range of Services Available	Telephone and Fax Numbers
Smoke and water damage		Fire and security	
		Fire alarm servicing	
		Hot and cold water machines	
		Water purification	
		Fire equipment and service	
Security		Security cameras	
		ID cards/ door passes	
		Locks and keys	
Electrics		Electrics	
		Electrical repairs	
		Generator service	
		PAT testing	
Gas		Gas boiler/ air handling units etc	
		Plumbing/ gas	
Removals		Removal company	
		Skip service	
Health		Cleaning sundries	
		Protective clothing etc	
		Toilet air fresh/ sanitary disposal	
		Carpet and deep cleaning	
		Pest control	
		Cleaning chemicals	
		Pest control	
ICT		Invocation (out of hours)	
		Invocation (within business hours)	
		Servers, PCs, laptops	
		SAN, thin clients, fibre switches, emergency contractor	
		Telephones and mobile, network	
Utilities		Gas/ electricity supplier	
		Electricity supplier	
		Water supplier	
Plant Hire		Tool and equipment hire	
		Parts and tool suppliers	
		Parts and tool suppliers	
		Equipment hire	
Public Services		Police	
		Fire	
		Environment/ flooding	
		Highways	
Furniture Suppliers		Office furniture	
		Furniture	

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		Automatic doors	
		Doors and accessories	
		Carpets/ tiles	
Insurance		Property claims	
		Motor claims	
Local Authorities	Glos County Council	Various	01452 753231
	Glos City Council	Various	01452 396396
	Chelt Borough Council	Various	01242 262626
	Cotswold District Council	Various	01285 623000
	FOD District Council	Various	01594 812614
	Stroud District Council	Various	01453 754990
	Worcs County Council	Various	01905 766175
	Malvern District Council	Various	01684 862151
	Wychavon Council	Various	01386 565000
Other		Civil engineers	
		Suspended ceilings	
		Lift contractor	
		Double glazing and roofing	
		Steel works	
		White road lines etc	
		General builders	
		Civil engineering	
		Builders	
		Stationary suppliers	
		Printers	
		Post service	
		Franking machine	
		Surveyor	
		Homeless houses	
	Car park machines		

² Key contact details not included in published document but are available to Business Continuity team

CORPORATE CONTACTS¹

Annex G

1. Business Continuity Management Team		
	Office	Mobile
Mike Dawson – Chief Executive	01684 272001	
Sara Freckleton – Borough Solicitor	01684 272011	
George Hill – Director of Resources	01684 272111	
Verna Green- Director of Community	01684 272198	
Mella McMahon- Director of Development	01684 272050	
Tina Nicholls- Customer Services and IT Manager	01684 272117	
Clare Davies – Communications Officer	01684 272291	
2. Property Services		
Chris Johns	07795 061016	
Bill Cocking	01684 272274	
Stephanie Thorne	01684 272357	
Adrian Clements	01684 272200	
3. Lead Members		
Councillor R Vines		
Councillor JM Perez		
Councillor A E Ricks		
Councillor A L Keyte		
Councillor D M Davies		
Councillor J R Mason		
Councillor S E Hillier-Richardson		
Councillor D J Waters		
Councillor C Wright		
4. Media		
Points West (local)		
ITV West Country- westcountry@itv.com		
BBC Radio Gloucestershire		
STAR FM		
Heart FM		
Echo (Gloucestershire Media)		
Citizen (Media UK)		
5. Service managers		

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	Simon Dix – Financial Services Manager	01684 272005	
	Richard Horton – Revenues and Benefits Manager	01684 272119	
	Chris Johns – Property and Estates Manager	01684 272245	
	Janet Martin – HR Advisor	01684 272057	
	Graeme Simpson- Performance and Audit Manager	01684 272002	
	Paul Skelton- Development Control Manager	01684 272288	
	Iain Houston Building Control Manager	01242 264293	
	Nigel Gilmore- Planning Policy Manager	01684 272089	
	Val Garside – Housing Options Manager	01684 272259	
	Frances Evans – Housing Enabling Manager	01684 272162	
	Andy Sanders – Leisure and Culture Manager	01684 272094	
	Julie Wood – Economic Development and Tourism Manager	01684 272095	
	Sonia Bagshaw – Commercial Team Manager (Food, H&S)	01684 272173	
	David Steels – Residential Team Manager	01684 272172	
	Nick Firkins – Acting Direct Services Manager	01684 272199	
	Lin O'Brien- Democratic Services Manager	01684 272020	
	Peter Lewis- Head of One Legal	01684 272012	
	Tina Nicholls- Customer Services and ICT Manager	01684 272117	
6.	Council Office Tenants		
	Gloucestershire Police Authority		
	Gloucestershire County Council Adult Social Team		
	Gloucestershire County Council Children & Families		
	Gloucestershire County Council Targeted Support Team		
	Citizens Advice Bureau		
	Fair Shares Gloucestershire		
	Registration Service		

¹ Personal contact details not included in published document but are available to Business Continuity team

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Version Control

Title	Corporate Business Continuity Plan
Author	
Doc. Ref.	
Classification	Controlled
This Version	V2.0 (1 st draft)

Change History				
Issue Status	Issue Number	Date	Author/ Editor	Details of Change
Live	V1.0	September 2009	Director of Resources	Final document
Draft	V2.0	April 2013	Alice Edginton	General updates and development of action plan

BUSINESS CONTINUITY ACTION PLAN

Action Required	Responsible Officer	Target Date
The approved Corporate Business Continuity Plan to be published on the Council intranet.	Director of Resources	July 2013
Re-instate the Corporate Business Continuity Group.	Director of Resources	August 2013
A critical service priority list to be developed detailing appropriate recovery timescales.	Business Continuity Group	September 2013
Existing business continuity plans to be reviewed and updated for each service area, ensuring staff contact details are up to date, recovery timescales appropriate and any changes to service delivery reflected. 1) Service area plans by early October. 2) Property, HR and ICT plans by end October (to incorporate service priorities).	Service Managers	October 2013
Staff to be made aware of relevant service business continuity plans.	Service Managers	October 2013
A review of training needs to be undertaken.	Business Continuity Group	November 2013
Hard copies of corporate and individual service continuity plans, along with copies of plans of the main Council Offices to be held off site (Swindon Road Depot).	Director of Resources/ Service Managers	November 2013
The number of staff required to be accommodated at alternative locations to cover critical tasks to be ascertained.	Business Continuity Group	January 2014
Alternative accommodation for the short, medium and long term to be identified and included within the Corporate Business Continuity Plan. Consideration to be given to reciprocal arrangements.	Director of Resources/ Property Services Manager	February 2014
Testing of the Business Continuity Plan.	Business Continuity Group	March 2014