

# Public Document Pack



## Cambridge City Council

### CIVIC AFFAIRS

**To: Committee Members:** Councillors McPherson (Chair), Benstead (Vice-Chair), Cantrill, Pitt, Hart and Robertson

**Alternates:** Councillors Bick & Moghadas

*Despatched: Tuesday, 10 March 2015*

**Date:** Wednesday, 18 March 2015

**Time:** 6.00 pm

**Venue:** Committee Room 1 & 2 - Guildhall

**Contact:** Claire Tunnicliffe **Direct Dial:** 457012

### AGENDA

**1 Apologies for Absence**

**2 Minutes of Previous Meeting**  
*(Pages 7 - 16)*

**3 Declarations of Interest**

Members are asked to declare at this stage any interests that they may have in any of the following items on the agenda. If any member is unsure whether or not they should declare an interest on a particular matter, they are requested to seek advice from the Head of Legal Services before the meeting.

**4 Public Questions**

**5 Internal Audit Plan / Strategy 2015 / 2016**  
*(Pages 17 - 52)*

**6 Procedure for Submitting Substantive Amendments to Full Council Meetings**  
*(Pages 53 - 58)*

## **7 Duration of Full Council Meetings**

Under Council Procedure Rules 4A, Conventions for Conduct of Council Business- B3, Cllr Holland has requested an agenda item on the duration of Full Council meetings and the current rules. Council Procedure Rule 10 states that when a meeting lasts to 10.30pm a vote shall be taken as to whether or not the meeting be adjourned (if so to 6.00pm the following Monday).

## **8 Members Allowances Scheme**

*(Pages 59 - 60)*

# Information for the Public

## Location

The meeting is in the Guildhall on the Market Square (CB2 3QJ).

Between 9 a.m. and 5 p.m. the building is accessible via Peas Hill, Guildhall Street and the Market Square entrances.

After 5 p.m. access is via the Peas Hill entrance.

All the meeting rooms (Committee Room 1, Committee 2 and the Council Chamber) are on the first floor, and are accessible via lifts or stairs.

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Some meetings may have parts that will be closed to the public, but the reasons for excluding the press and public will be given.

Most meetings have an opportunity for members of the public to ask questions or make statements.

To ask a question or make a statement please notify the Committee Manager (details listed on the front of the agenda) prior to the deadline.

- For questions and/or statements regarding items on the published agenda, the deadline is the start of the meeting.
- For questions and/or statements regarding items NOT on the published agenda, the deadline is 10 a.m. the day before the meeting.

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**CIVIC AFFAIRS**

28 January 2015

6.30pm - 8.05 pm

**Present:** Councillors McPherson (Chair), Benstead (Vice-Chair), Cantrill, Pitt, Hart and Robertson

**Officers present:**

Chief Executive: Antoinette Jackson

Director of Resources: Ray Ward

Head of Legal Services: Simon Pugh

Head of Finance: Caroline Ryba

Head of Human Resources: Deborah Simpson

Head of Planning Services: Patsy Dell

Democratic Services Manager: Gary Clift

Electoral Services Manager: Vicky Breeding

Benefits Manager: Naomi Armstrong

Committee Manager: Glenn Burgess

**Others present:**

Director of Ernst & Young: Mark Hodgson

Independent Person: Sean Brady

Deputy Independent Person: Rob Bennett

**FOR THE INFORMATION OF THE COUNCIL**

**15/1/CIV Apologies for absence**

No apologies were received.

**15/2/CIV Minutes of previous meeting**

The minutes of the meeting held on 17 September 2014 were approved as a correct record and signed by the Chair.

**15/3/CIV Declarations of Interest**

No interests were declared.

**15/4/CIV Public Questions**

County Councillor Walsh and Mr Colin Rosenstiel requested to speak prior to consideration of agenda item 5.

**Re-ordering of the agenda.**

Under paragraph 4.2.1 of the Council Procedure Rules, the Chair used his discretion to alter the order of the agenda items to take item 5 last. However, for ease of the reader, these minutes will follow the order of the agenda.

**15/5/CIV Electoral Review of Cambridgeshire**

The committee received a report from the Democratic Services Manager regarding the Electoral Review of Cambridgeshire.

The Liberal Democrat Group tabled a proposed amendment to the Labour Group's submission as included in the officer's report:

<http://democracy.cambridge.gov.uk/documents/b8570/Electoral%20Review%20-%20Liberal%20Democrat%20amendment%2028th-Jan-2015%2018.30%20Civic%20Affairs.pdf?T=9>

In response the Labour Group tabled a further composite amendment to their submission:

<http://democracy.cambridge.gov.uk/documents/b8571/Electoral%20Review%20-%20Labour%20composite%20amendment%2028th-Jan-2015%2018.30%20Civic%20Affairs.pdf?T=9>

County Councillor Walsh addressed the committee and made the following points:

- i. Equality of representation and effective community representation were key factors to be considered.
- ii. Whilst the location of schools in relation to proposed boundaries was an important factor it should not be the only consideration.
- iii. Dividing the City Centre would ensure equality of representation.



- iv. Urged the City Council to submit a response and to convey to the Boundary Commission the updated estimates regarding number of electors in the City.

Mr Colin Rosenstiel addressed the committee and made the following points:

- i. The figures used by the County Council in their submission failed to take into account new student accommodation projected to house 2410 students, and therefore understated the number of electors in the City.
- ii. 63 County Council Divisions and 12 City Wards would mean that the City Council was under represented.
- iii. Based on the correct figures the County Council would be able to retain their 69 Divisions.
- iv. Never before had an Electoral Review been undertaken at a time of such growth in the City.

After discussion on the proposed amendments the committee adjourned for 10 minutes for a combined version to be drafted by officers. Members requested that each point be voted on separately (see below):

**On a show of hands the following proposal was agreed unanimously:**

- i) To convey to the County Council and the Boundary Commission the updated estimates about the numbers of electors in the City in the paragraphs below:

#### REVISED ESTIMATES ON CAMBRIDGE ELECTORS

*The County Council's submission to the Boundary Commission was based on numbers taken from the Electoral Register of February 2014 and the projections for new housing made in December 2013.*

*These numbers understate the figures for the City in two principle ways:*

- i) *They overlooked new student accommodation projected to house 2,410 students. As University records show that approximately 16% of students are not citizens of the UK, EU or a Commonwealth country, it is reasonable to assume that 84% (ie 2,025) are expected to be eligible to vote in UK elections.*

ii) *The most recent projections for new housing in the City, published in December 2014, updates information about housing that should be considered as part of the review period. Some sites should be included as they will be brought forward quicker than previously expected eg. in Queen Edith's Division. It also shows that some new build has been wrongly allocated to the present wards. Much of the new build on the Darwin Green site will not be in the present Castle Ward as previously expected, but in Arbury and the new build on the CB1 site will be in the present Trumpington Ward rather than Petersfield. These errors of placement have now been accepted by the Boundary Commission which reissued its data last week.*

iii) *The December 2014 projections for housing, and the consequent calculations for numbers of electors, are not yet available for the other Districts. The overall numbers for the County are therefore uncertain.*

**On a show of hands the following proposal was agreed unanimously:**

ii) To convey to the Boundary Commission that projected numbers in the rest of the County are uncertain and these might make the City under-represented if they retain the proposed 63 Divisions, in that Divisions in the City could be significantly larger than those in the rest of the County.

**On a show of hands the following proposal was agreed by 4 votes to 2:**

iii) Recognising that this data may not affect the Boundary Commission's proposals for City Ward numbers, to support the County Labour Group's submission in case Cambridge District will be allocated twelve County Councillors, while continuing to investigate the accuracy of the elector numbers and the potential impact on the number of County Councillors allocated to each District and the City's total share of overall County Councillors.

**On a show of hands the following proposal was agreed unanimously:**

iv) To agree that co-terminosity between County Council Divisions and City Council Wards is very desirable for good governance and any period when this is not the case should be as short as possible.

**On a show of hands the following proposal was lost by 3 votes to 3 (and on the Chair's casting vote):**

v) To note the position of the Liberal Democrat Group below:

*As the Labour submission was based on numbers now shown to be flawed, it should not go forward.*

*Also the Labour submission pays little regard to the principle set out by the Commission that schemes need to reflect the identities and interests of local communities;*

*a) As primary schools tend to be the focus of their community, keeping boundaries some way from them is good practice. In the Labour scheme, Mayfield School, Park Street School and St Philip's School are all divided from a sizeable section of their immediate catchment area.*

*b) Dividing the dense community in the Park Street area into two Wards does not respect that local community*

*c) Taking the northern part of Romsey to put it with Barnwell (Abbey) was suggested by Labour at the last review and provoked an unusually large negative response from the residents as people in that area consider that they live in Romsey which has a very clear community identity.*

*d) Taking account of long standing boundaries is also considered to be good practice.*

*There is a very long established boundary between the North and West of the city and the South and East, along the river and the line of Elizabeth Way, East Road, Gonville Place, Lensfield Road and Fen Causeway to the river again. This, with minor flexibility around, for example, Lensfield Road, is very well established for nearly 50 years and separates the city into two equal halves. The Labour submission ignores this boundary.*

**On a show of hands the following proposal was agreed unanimously:**

vi) To agree to respond to the next phase of the Boundary Commission's consultation after consideration by the Civic Affairs Committee.

**On a show of hands the following proposal was lost by 3 votes to 3 (and on the Chair's casting vote):**

vii) To forward the minutes of the Civic Affairs Committee to the Boundary Commission as part of the City Council's submission.

**Resolved:**

i) To convey to the County Council and the Boundary Commission the updated estimates about the numbers of electors in the City in the paragraphs below:

**REVISED ESTIMATES ON CAMBRIDGE ELECTORS**

*The County Council's submission to the Boundary Commission was based on numbers taken from the Electoral Register of February 2014 and the projections for new housing made in December 2013.*

*These numbers understate the figures for the City in two principle ways:*

*i) They overlooked new student accommodation projected to house 2,410 students. As University records show that approximately 16% of students are not citizens of the UK, EU or a Commonwealth country, it is reasonable to assume that 84% (ie 2,025) are expected to be eligible to vote in UK elections.*

*ii) The most recent projections for new housing in the City, published in December 2014, updates information about housing that should be considered as part of the review period. Some sites should be included as they will be brought forward quicker than previously expected eg. in Queen Edith's division. It also shows that some new build has been wrongly allocated to the present wards. Much of the new build on the Darwin Green site will not be in the present Castle ward as previously expected, but in Arbury and the new build on the CB1 site will be in the present Trumpington Ward rather than Petersfield. These errors of placement have now been accepted by the Boundary Commission which reissued its data last week.*

*iii) The December 2014 projections for housing, and the consequent calculations for numbers of electors, are not yet available for the other Districts. The overall numbers for the County are therefore uncertain.*

ii) To convey to the Boundary Commission that projected numbers in the rest of the County are uncertain and these might make the City under-represented if they retain the proposed 63 Divisions, in that Divisions in the City could be significantly larger than those in the rest of the County.

iii) Recognising that this data may not affect the Boundary Commission's proposals for city ward numbers, to support the County Labour Group's submission in case Cambridge District will be allocated twelve County

Councillors, while continuing to investigate the accuracy of the elector numbers and the potential impact on the number of County Councillors allocated to each District and the city's total share of overall county councillors.

iv) To agree that co-terminosity between County Council Divisions and City Council Wards is very desirable for good governance and any period when this is not the case should be as short as possible.

v) To agree to respond to the next phase of the Boundary Commission's consultation after consideration by the Civic Affairs Committee.

### **15/6/CIV Ernst & Young Report on Audit of Grant Claims**

The committee received a report from the Head of Finance and the Director of Ernst and Young regarding audit of grant claims.

In response to members' questions the Benefits Manager and the Director of Ernst and Young said the following:

- i. The Department of Works and Pensions (DWP) look at a small sample in order to devise the correct methodology.
- ii. A net increase in subsidy to the Local Authority of £14,017 was expected.
- iii. The small error identified did not point to a fundamental flaw in the system.

**Resolved** (unanimously) to:

- i. Note the contents of the Ernst and Young report, attached at appendix 1 to the officer's covering report.
- ii. Note the impact of information received after the submission of the Ernst and Young report.

### **15/7/CIV 2013/14 Audit Scale Fee Variation**

The committee received a report from the Head of Finance regarding the 2013/14 Audit Scale Fee Variation.

**Resolved** (unanimously) to:

- i. Note the report

### **15/8/CIV Council Tax Base and Business Rates Calculations**

The committee received a report from Head of Finance regarding Council Tax Base and Business Rates Calculations.

**Resolved** (unanimously) to:

- i. Recommend Council to formally confirm the delegation to the Chief Financial Officer (Head of Finance) of approval of the Council Tax Base and submission of the National Non-Domestic Rates Forecast Form (NDR1) for each financial year.

### **15/9/CIV Planning Code of Good Practice**

The committee received a report from the Head of Planning Services regarding the Planning Code of Good Practice.

In response to members' questions the Head of Planning Services said the following:

- i. Changes made to the Code under Section 4 enabled Councillors to take a more active role in applications in their Wards without the fear of bias or predetermination. However there was a need to approach all planning applications with an open mind and be able to weigh up all arguments up until the point a decision is made.

The committee thanked for the officer for a detailed report.

The Deputy Independent Person proposed, and the committee supported, the following additional recommendations:

- i. That the Code be circulated to all Councillors, not just those on the Planning Committee.
- ii. That the Code be reviewed every 3 years.

**Resolved** (unanimously) to:

- i. Endorse the approval of the updated Planning Code of Good Practice.
- ii. Recommend circulation of the final Code to all Councillors, not just those on the Planning Committee.
- iii. Recommend that the Code be reviewed every 3 years.

### **15/10/CIV Pay Policy Statement 2015/16**

The committee received a report from the Head of Human Resources regarding the Pay Policy Statement 2015/16.

**Resolved** (unanimously) to:

- i. Recommend to Council the draft Pay Policy Statement 2015/16 attached at Appendix 1 of the officer's report.
- ii. Delegate authority to the Head of Human Resources to amend the draft Pay Policy Statement 2015/16 should there be agreement on a pay offer for Chief Executives and/or Chief Officers.

### **15/11/CIV Calendar of Meetings 2015/16**

The committee received a report from the Democratic Services Manager regarding the Calendar of Meetings 2015/16.

In response to members' questions the Democratic Services Manager said the following:

- i. Planning Committee had been scheduled for 4 May 2016 (prior to the elections on 5 May 2016) to ensure that the committee would be quorate. Agreed to discuss this further with the Head of Planning Services.
- ii. Agreed that the Joint Staff Employer Forum (JSEF) would be moved from 28 July 2015 to the 21 July 2015 to avoid the school holidays.

**Resolved** (unanimously) to:

- i. Agree the 2015/16 meetings calendar subject to:
  - Joint Staff Employer Forum (JSEF) being moved from 28 July 2015 to the 21 July 2015.
  - Further discussions taking place with the Head of Planning Services regarding the Planning Committee on 4 May 2016.

### **15/12/CIV Membership of Chief Officer Performance Review**

**Resolved** (unanimously) to:

- i. Amend membership of the Chief Officer Performance Review Working Group as follows:  
  
Councillor Price to replace Councillor O'Reilly

The meeting ended at 8.05 pm

**CHAIR**



## CAMBRIDGE CITY COUNCIL

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REPORT OF: Director of Business Transformation

TO: Civic Affairs Committee

18 March 2015

WARDS: All

### **INTERNAL AUDIT PLAN 2015 / 2016**

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#### **1. INTRODUCTION**

- 1.1 This is the draft Internal Audit Annual Plan for 2015 / 2016 for consideration by the Civic Affairs Committee. The plan has been subject to consultation with all Directorates, the Chief Executive and a copy has been shared with our External Auditors, Ernst and Young for information.
- 1.2 Internal Audit Plans and the associated documents have been established in accordance with best practice as laid down in the Public Sector Internal Audit Standards (PSIAS).

#### **2. RECOMMENDATIONS**

- 2.1 Members of Civic Affairs are requested to examine the draft Internal Audit Plan for 2015 / 2016 and:
  - Identify any areas for further consideration;
  - Approve the draft audit plan; and
  - Note the internal documents on Internal Audit provision – the Audit Charter – as identified in accordance with the PSIAS.
- 2.2 Members of Civic Affairs are also asked to note progress with the implementation of Internal Audit agreed actions as recorded in the Council's risk register.

#### **3. BACKGROUND**

- 3.1 This report provides an overview of the stages followed prior to the formulation of the Audit Plan for 2015 / 2016. The Audit Plan will then serve as the work programme for Internal Audit and provide the basis upon which the service will subsequently give Audit Opinions on Cambridge City Council's (CCC) system of internal control, risk management and corporate governance arrangements for 2015 / 2016.

- 3.2 Members' attention is also drawn to the fact that the Audit Charter has been presented for approval. This sets out the original Terms of Reference for the service and is aligned against the PSIAS. The foundations of these standards however are not so fundamentally different to those requirements formerly specified in the CIPFA Code of Practice for Internal Audit. However, the structure of the Charter must follow a prescribed format which defines the purpose, authority and responsibility of the Internal Audit activity, and clear definitions need to be given of those governance elements fulfilling responsibilities of the 'board' and 'senior management'
- 3.3 As at February 2015, there is one vacancy within the team, with interviews planned for mid-March 2015. Due to contractual notice periods, the earliest start date for the successful candidate would be mid-May 2015. This has been factored into the resources available for the plan.

#### **4. THE AUDIT CHARTER (APPENDIX A)**

4.1 The PSIAS have been primarily introduced to:

- Define the nature of internal auditing;
- Set basic principles for carrying out internal audit;
- Establish a framework for providing internal audit services, which add value to the organisation; and
- Establish the basis for the evaluation of internal audit performance and to drive improvement planning.

4.2 As part of evidencing that these requirements are being adhered to, there is a duty for the service to have an Audit Charter which demonstrates how these elements are being handled and managed. The attached Charter covers off the above requirements.

4.3 Finally, there is an obligation under the mandatory standards to review and re-present the Audit Charter to Civic Affairs Committee annually. The Charter has to be re-evaluated to confirm its on-going validity and completeness, and thereafter, the documentation requires the scrutiny and endorsement of senior management and the Civic Affairs Committee.

4.4 Key issues identified within the Charter for Members are:

- (6) Independence. Internal Audit operates within an organisational framework that preserves the independence and objectivity of the assurance function, and ensures that its activity is free from interference in determining the scope of internal auditing, performing work and communicating results. Internal Auditors should have no operational responsibilities or authority over any of the activities that they are required to review. While Internal Audit does have some surveillance over the development and facilitation of risk management advice and training, overall ownership of risk management remains within Support Services.

- (11) Quality Assurance and Improvement Plans. Prior years have seen post audit questionnaires issued. Following changes to the Councils intranet, audit have been unable to issue / record PAQ's. This will be addressed going forward and forms part of our improvement plan.

## **5. CODE OF ETHICS**

- 5.1 The Code of Ethics sets out the expectations of Internal Audit staff in relation to service delivery. The document remains unchanged from previous years (Civic Affairs Committee 19 March 2014: Agenda Item 6 Appendix B) and mirrors the obligations in this area as per the PSIAS.

## **6. INTERNAL AUDIT PLAN 2015 / 2016 (APPENDIX B)**

- 6.1 The objective of the Plan is to provide a programme of work, sufficient to enable an informed annual opinion together with providing support to the Annual Governance Statement (AGS). The draft plan provides an acceptable minimum level of audit coverage capable of generating the requisite audit assurances to the organisation, whilst also being affordable.

- 6.2 The Plan for 2015 / 2016 has been developed using a risk-based approach. It has been formulated from reviews of the following:

- i) Corporate / service risks and an assessment of mitigating controls;
- ii) Areas of significant change or concern within the council;
- iii) Key projects / partnerships being undertaken;
- iv) Draft Portfolio Plans; and
- v) Discussions with Directors and Heads of Service during the year.

The audit plan does not include an audit of the new City Deal arrangement as this will be audited by the County Council's auditors.

- 6.3 The Plan has been broken down into a number of elements:

- a) Core Systems work;
- b) Annual Governance and Assurance work;
- c) Corporate / Cross Cutting audits;
- d) Key Contracts and Projects;
- e) Departmental specific audits; and
- f) Other resource allocations.

- 6.4 The Plan identifies days per assignment. We are proposing that those audits marked as "critical" on the final annual audit plan will be 100% completed within the year.

- 6.5 The Plan excludes details of special investigations or "consultancy" activity that the Council also calls upon the team to deliver, but a separate allocation has been set aside in 2015 / 2016. This is based on resources used in previous years.

- 6.6 If works identified in 6.6 above lead to the potential for resources required exceeding the amount set-aside then the shared HoIA will establish the course of action to be taken in consultation with the Director of Business Transformation, Section 151 Officer and the Chair of Civic Affairs Committee. In the event of this occurring, a separate report will be produced to inform all Members of the Committee.
- 6.7 Outcomes from each audit will lead to the production of the annual audit opinion. This will then inform the AGS which is signed off by the Leader of the Council and the Chief Executive and accompanies the Statement of Accounts, usually to the June committee cycle.
- 6.8 Once the Plan is approved, timings for each audit will be agreed with Directors / Heads of Service.

## **7 PERFORMANCE INDICATORS (APPENDIX C)**

- 7.1 As part of the on-going internal appraisal of the service, various indicators have been set to ensure delivery against best practice and also to monitor individual and service performance. These are set out in **APPENDIX C** and are referred through Committee as part of the reporting process.

## **8 IMPLEMENTATION OF INTERNAL AUDIT ACTIONS (APPENDIX D)**

- 8.1 Agreed Internal Audit actions arising from audit reports are recorded on the Council's risk register and progress with their implementation is monitored twice a year by the Strategic Leadership Team (SLT). At its meeting in June 2014, Members of Civic Affairs Committee expressed concern at the high number of overdue Internal Audit actions, particularly those that dated back to previous years' audit reports. It was therefore agreed that further updates on the outstanding and overdue actions would be brought to future meetings to provide Members with an up to date position.
- 8.2 Internal Audit last provided such an update in November 2014. **Appendix D** to this report identifies the position as reported in November 2014 (Table 1) and the current position (Table 2).
- 8.3 The figures show that there are currently **22** overdue Internal Audit actions (out of a total of 570 agreed actions), compared with **18** in September 2014 (out of a total of 495 agreed actions). Managers are continuing to address their overdue actions and Internal Audit will work closely with them to keep on top of the situation.
- 8.4 Follow-up audits will also be conducted in 2015/16 to establish progress with agreed Internal Audit actions where the original report received a 'no' or 'limited' assurance rating.

## **9 CONSULTATION**

- 9.1 Directors and Heads of Service were consulted during February 2015 on the possible content for the 2015 / 2016 audit plan and their views have been taken into consideration when putting it together.
- 9.2 A copy of the audit plan has been sent to External Audit for their information.

## **10 IMPLICATIONS**

(a) **Financial Implications**

None

(b) **Staffing Implications**

The audit plan reflects current available resources. Any significant change in resource or Council activities will be reported under separate cover to Members and their impact.

(c) **Legal Implications**

The Council has a legal obligation to maintain an adequate and effective system of internal audit, and the council has delegated this responsibility to this Committee. There are no adverse legal implications relating to the reporting progress.

(d) **Risk Implications**

In terms of risk management, the Plan and its outcomes are a key part of the Council's risk management and assurance framework. The Plan is based on risk assessments that include a review of the Council's risk register. Actions to mitigate risks are identified in audit reports and agreed with management and are followed up by Internal Audit to ensure implementation.

(e) **Equality and Poverty Implications**

None

(f) **Environmental Implications**

None

(g) **Community Safety**

None

## **BACKGROUND PAPERS:**

The following are the background papers that were used in the preparation of this report:

Public Sector Internal Audit Standards  
Cambridge City Council Risk Registers

## **APPENDICES:**

A: Internal Audit Charter  
B: Internal Audit Plan and Strategy 2015 / 2016  
C: Performance Indicators  
D: Implementation of Agreed Internal Audit Actions

To inspect these documents contact Steve Crabtree on extension 8181.

The author and contact officer for queries on this report is Steve Crabtree

Date originated: 06 March 2015  
Date of last revision: 06 March 2015

**CAMBRIDGE CITY COUNCIL  
INTERNAL AUDIT CHARTER**

KEY CONTACTS		
Steve Crabtree	Head of Internal Audit	☎ 458 181
Bridget Bishop	Principal Auditor	☎ 458 182

February 2015

Next Review: By March 2016

## 1. INTRODUCTION

- 1.1 Organisations in the UK public sector have historically been governed by an array of differing internal audit standards. The Public Sector Internal Audit Standards (the PSIAS), which took effect from the 1 April 2013, and are based on the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF) now provide a consolidated approach to promoting further improvement in the professionalism, quality, consistency, transparency and effectiveness of Internal Audit across the whole of the public sector.
- 1.2 The PSIAS require that all aspects of Internal Audit operations are acknowledged within an Audit Charter that defines the purpose, authority and responsibilities of the service provision. The Charter therefore establishes the position of the service within Cambridge City Council (CCC); its authority to access records, personnel and physical properties relevant to the performance of engagements; in addition to defining the scope of Internal Audit activities. There is also an obligation under the PSIAS for the Charter to be periodically reviewed / presented to Civic Affairs Committee, the Section 151 Officer and senior management. This Charter will therefore be revisited annually to confirm its ongoing validity and completeness, and be circulated in accordance with the requirements specified above.

## 2. PURPOSE

- 2.1 In accordance with the PSIAS, Internal Auditing is defined as:

*"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."*

- 2.2 However, it should also be appreciated that the existence of Internal Audit does not diminish the responsibility of senior management to establish appropriate and adequate systems of internal control and risk management. Internal Audit is not a substitute for the functions of senior management, who should ensure that Council activities are conducted in a secure, efficient and well-ordered manner with arrangements sufficient to address the risks which might adversely impact on the delivery of corporate priorities and objectives.

## 3. AUTHORISATION

- 3.1 The requirement for an Internal Audit Service is outlined within the Accounts and Audit Regulations 2003, as amended in 2006 and 2011, which state that *"a relevant body must undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control"*. This statutory requirement for continuous Internal Audit has been formally recognised and endorsed within CCC's Constitution.



3.2 Further, there are additional requirements placed upon the Chief Audit Executive (see Section 4: Organisation and Relationships), to fulfil all aspects of CIPFA's Statement on the Role of the Head of Internal Audit in Public Sector Organisations, whilst the Council's Constitution makes Internal Audit primarily responsible for carrying out an examination of the accounting, financial and other operations of the Council, under the independent control and direction of the Section 151 Officer. The role of Section 151 Officer at CCC is carried out by the Head of Finance. Management reporting is to the Director of Business Transformation.

3.3 The internal audit activity, with strict accountability for confidentiality and safeguarding records and information, is authorised to have full, free, and unrestricted access to any and all of the organisations:

- Records, documents and correspondence (manual and electronic) relating to any financial and other transactions;
- Physical properties, i.e. premises and land, plus cash, stores or any other Council property; and
- Personnel – requiring and receiving such explanations as are necessary concerning any matter under examination and generally assisting the Internal Audit activity in fulfilling its roles and responsibilities.

3.4 Such access shall be granted on demand and shall not be subject to prior notice, although in principle, the provision of prior notice will be given wherever possible and appropriate, unless circumstances dictate otherwise.

#### 4. ORGANISATION AND RELATIONSHIPS

4.1 Within the PSIAS, the terms 'Chief Audit Executive,' 'Board' and 'Senior Management' are used to describe key elements of the organisation's governance, and the ways in which they interact with Internal Audit. The PSIAS require that the terms are defined in the context of the governance arrangements in each public sector organisation, in order to safeguard the independence and objectivity of Internal Audit. At CCC, the following interpretations are applied, so as to ensure the continuation of the current relationships between Internal Audit and other key bodies at the Council. The following terms are explained:

- Chief Audit Executive
- Board
- Senior Management
- External Audit
- Other Internal Audit Service Providers
- Other External Review and Inspection Bodies

#### 4.2 Chief Audit Executive

At CCC, the Chief Audit Executive is the Head of Internal Audit (HoIA), part of a shared management arrangement between CCC, Peterborough City Council (PCC) and South Cambridgeshire District Council (SCDC). A Memorandum of Understanding exists between all three authorities and this agreement is subject to review. Each authority, as at February 2015, had its own internal staff. The HoIA has a direct line of reporting to a Director who is part of the Council's Leadership Team as well as access to the Chief Executive should it be required.

#### 4.3 Board

In the context of overseeing the work of Internal Audit, the 'Board' will be the Civic Affairs Committee of the Council, which has been established as part of its corporate governance arrangements. The Committee is responsible for the following with reference to Internal Audit:

- Internal Audit Plans;
- Progress and performance against approved plans;
- Annual Audit Opinion, and
- Compliance against Public Sector Internal Audit Standards.

Internal Audit will work closely with the committee to facilitate and support its activities. Moreover, should it be needed, the HoIA also has a reporting line to the Chair of the Civic Affairs Committee.

#### 4.4 Senior Management

In the context of ensuring effective liaison between Internal Audit and senior officers, Internal Audit has regular access to Directors and Heads of Service. 'Senior Management' for the purposes of this Charter is the Strategic Leadership Team.

#### 4.5 External Audit

Internal Audit looks to minimise any potential duplication of work between internal and external auditors by sharing our Audit Plans prior to approval. With their agreement will look to ensure that they can place maximum reliance on the work of Internal Audit, wherever possible.

#### 4.6 Other Internal Audit Service Providers

Internal Audit will also liaise with other Council's Internal Audit Service providers, where shared service arrangements exist. In such cases, a dialogue will be opened with the other Council's equivalent Chief Audit Executive to agree a way forward regarding the future auditing of 'shared' internal audit services, which may be both efficient and cost effective for all parties involved, and cause least disruption to the area(s) being audited. With the "triumvirate arrangements" adopted between CCC, SCDC and Huntingdonshire DC (HDC), regular discussions will take place with HDC.

#### 4.7 Other External Review and Inspection Bodies

Internal Audit will co-operate with all external review and inspection bodies that are authorised to assess and evaluate the activities of the Council, to determine compliance with regulations, standards or targets. Internal Audit will, wherever possible, utilise third party assurances arising from this work.

### 5. **OBJECTIVES AND SCOPE**

- 5.1 The provision of assurance services is the primary role of Internal Audit and there is a duty of care on the Chief Audit Executive to give an annual internal audit opinion based on an objective assessment of the framework of governance, risk management and control. This responsibility to evaluate the governance framework far exceeds examination of controls applying to the Council's core financial systems. Instead, Internal Audit is required to scrutinise the whole system of risk management, internal control and governance processes established by management.
- 5.2 Internal Audit also has a secondary role, whereby it will provide consultancy services which are advisory in nature and generally performed at the request of the Council to facilitate improved governance, risk management and control, and potentially contribute to the annual audit opinion.
- 5.3 A risk based Audit Plan will be developed each year to determine an appropriate level of audit coverage to generate an annual audit opinion, which can then be used to assist with the formulation of the CCC's Annual Governance Statement. Moreover, audit work performed will seek to enhance the Council's overall internal control environment. In the event of deficiencies in arrangements being identified during audit assignments, Internal Audit will put forward recommendations and agree actions aimed at improving existing arrangements and restoring systems of internal control to a satisfactory level, where relevant.

- 5.4 In accordance with the PSIAS, the Internal Audit Service will evaluate and contribute to the improvement of:
- The design, implementation and effectiveness of the organisation's ethics related objectives, programmes and activities.
  - The effectiveness of the Council's processes for performance management and accountability.
  - The Council's IT governance provisions in supporting the organisation's corporate priorities, objectives and strategies.
  - The Council's risk management processes in terms of significant risks being identified and assessed; appropriate risk responses being made that align with the organisation's risk appetite, the capturing and communicating of risk information in a timely manner, and its use by staff, senior management and members to carry out their responsibilities and inform decision making generally.
  - The provisions developed to support achievement of the organisation's strategic objectives and goals.
  - The systems formulated to secure an effective internal control environment.
  - The completeness, reliability, integrity and timeliness of management and financial information.
  - The systems established to ensure compliance with legislation, regulations, policies, plans, procedures and contracts, encompassing those set by the Council and those determined externally.
  - The systems designed to safeguard Council assets and employees.
  - The economy, efficiency and effectiveness with which resources are used in operations and programmes at the Council.
- 5.5 In addition to the areas recorded above, where Internal Audit will give input to their continuing enhancement; the Service will also provide support to the Section 151 Officer in the discharge of their duties, in particular with responsibility for the probity and effectiveness of the Authority's financial arrangements and internal control systems.
- 5.6 **Managing the risk of fraud and corruption is the responsibility of management.** However, as part of the scope of Internal Audit, it will be alert in all its work to the risks and exposures that could allow fraud or corruption to occur and will monitor the extent and adequacy of risk controls built into systems by management, sharing this information with External Audit and other corporate investigators e.g. Counter Fraud. In addition, we provide an annual response to External Audit on the levels of fraud risks across the Council.
- 5.7 In the course of delivering services encompassing all the elements stated above, should any significant risk exposures and control issues subsequently be identified, Internal Audit will report these matters to senior management, propose action to resolve or mitigate these, and appraise the Civic Affairs Committee of such situations.

## 6. **INDEPENDENCE**

- 6.1 Internal Audit operates within an organisational framework that preserves the independence and objectivity of the assurance function, and ensures that its activity is free from interference in determining the scope of internal auditing, performing work and communicating results. The framework allows the HoIA direct access to and the freedom to report unedited, as deemed appropriate, to the Civic Affairs Committee, the Chief Executive, Director of Business Transformation, Section 151 Officer and the Strategic Leadership Team.
- 6.2 Internal Auditors should have no operational responsibilities or authority over any of the activities that they are required to review. As a consequence, they do not develop procedures, install systems, prepare records, or engage in any other activity, which would impair their judgement. However, Internal Audit does have some surveillance over the development and facilitation of risk management advice and training. Overall ownership of risk management remains within Support Services.
- 6.3 In addition, Internal Auditors will not assess specific operations for which they were previously responsible, and objectivity is presumed to be impaired if an Internal Auditor provides assurance services for an activity for which they had responsibility within the previous 12 months. Internal Auditors may however provide consulting services relating to operations over which they had previous responsibility. The HoIA will confirm to the Civic Affairs Committee, at least annually, the organisational independence of the Internal Audit activity.

## 7. **PROFESSIONAL STANDARDS**

- 7.1 CCC's Internal Auditors operate in accordance with the Public Sector Internal Audit Standards, 2013.
- 7.2 The Internal Auditors are also governed by the policies, procedures, rules and regulations established by CCC. These include, but are not limited to, Financial Regulations and Contract Standing Orders, the Prevention of Fraud and Corruption Policy, and the Code of Conduct. Similarly, the Council's Internal Auditors will be aware of external bodies' requirements (e.g. as identified by CIPFA), and all legislation affecting the Council's activities.
- 7.3 The Council's Internal Auditors will additionally adhere to the Code of Ethics as contained within the PSIAS. Internal Auditors will also demonstrate due professional care in the course of their work and consider the use of technology-based audit and other data analysis techniques, wherever feasible and considered beneficial to the Council. All working arrangements and methodologies are set out in the Audit Manual.

## 8. **AUDIT RESOURCES**

- 8.1 The HoIA will be professionally qualified (CMIIA, CCAB or equivalent) and have wide internal audit management experience, to enable them to deliver the responsibilities of the role.
- 8.2 The HoIA will ensure that the Internal Audit Service has access to a team of staff that have an appropriate range of knowledge, skills, qualifications and experience to deliver requisite audit assignments. The type of reviews that will be provided in year include computer audits, contract audits, systems reviews, consultancy input to new / modified systems, and special / fraud investigations. In the event of special / fraud investigations being required, there is limited contingency in the Audit Plans to absorb this work. However, additional resources may need to be made available to the Internal Audit Service when such input is necessary.

## 9. **AUDIT PLANNING**

- 9.1 Internal Audit will develop an annual audit strategy, together with annual audit plans and a summary of annual audit coverage using a risk based methodology. This will take into account documented corporate and operational risks, as well as any risks or concerns subsequently notified to Internal Audit by senior management. Copies of these documents will then be submitted to Departmental Management Teams and the Chief Executive for their approval prior to being taken forward to the Civic Affairs Committee for final endorsement, in advance of the new financial year to which they relate.
- 9.2 The Annual Audit Plan includes the timing, as well as budget and resource requirements for the year. Any difference between the plan and the resources available will be identified and reported to the Civic Affairs Committee. The plan will outline the assignments to be carried out and the broad resources and skills required to deliver the plan. It will provide sufficient information for the Council to understand the areas to be covered and for it to be satisfied that sufficient resources and skills are available to deliver the plan. Areas included in the audit plan are highlighted in **Table 1**.

**TABLE 1: AUDIT ACTIVITIES**

- Core system assurance work
- Governance and Assurance Framework
- Corporate / Cross Cutting audits, including value for money reviews
- Contracts and Projects
- Departmental specific reviews
- Fraud and irregularities
- Follow up activity
- Internal consultancy / advice on risks, controls and procedures
- Member support

9.3 The audit plan will be kept under review to identify any amendment needed to reflect changing priorities and emerging risks. It will be flexible, containing an element of contingency to accommodate assignments which could not have been readily foreseen. However, on occasions, specific audit requests take precedence over the original audit plan and will be required as additional work rather than as a replacement. Resources, such as specialist or additional auditors may be required to supplement this. Internal Audit will reserve the right to make a charge for any additional work that is over and above that originally planned.

9.4 Annual audit plans will be discussed with each Departmental Management Team prior to their formal approval.

## 10. **REPORTING**

10.1 The process followed for completing each audit is set out in **Table 2**.

10.2 Upon completion of each audit assignment, an Internal Audit report will be prepared that:

- Provides an opinion on the risks and controls of the area reviewed, and this will contribute to the annual opinion on the internal control environment, which, in turn, informs the Annual Governance Statement; and
- Provides a formal record of points arising from the audit and management responses to issues raised, to include agreed actions with implementation timescales.

<b>TABLE 2: WORKING ARRANGEMENTS DURING AUDITS</b>	
<b>Stage</b>	<b>Commentary</b>
Audit Brief	Set up and agreed with manager(s)
Fieldwork	Assignment undertaking including interviews, testing etc.
Exit Meeting	At conclusion of fieldwork, issues raised for reporting (if not already provided during course of fieldwork).
Draft report	Produced following completion of fieldwork / exit meeting. Head of Service / Line Manager to formally respond within 15 days, including acceptance (or not) of actions together with timescale proposals to implement.
Final Report	Audit incorporates all management comments within report and re-issue as a final within 10 days of receiving the response. The report will be distributed in accordance with agreed protocols (see Table 4).

- 10.3 Exit meetings are accommodated enabling management to discuss issued Draft Audit Reports. Accountability for management's response to Internal Audit actions lies with the Chief Executive, Directors, and / or Heads of Service, as appropriate.



- 10.4 Actions are rated and an overall opinion given on the service area reviewed (see **Table 3**). Final Audit Reports will be issued in line with agreed working protocols to the relevant nominated officers and subject to follow up work as necessary.

<b>TABLE 3: AUDIT OPINION / CLASSIFICATION OF RISKS</b>	
We categorise our <b>opinions</b> according to our assessment of the controls in place and the level of compliance with these controls:	
<b>Opinion / Assurance</b>	<b>Description</b>
<b>FULL</b>	The system is designed to meet objectives and controls are consistently applied that protect the Authority from foreseeable risks.
<b>SIGNIFICANT</b>	The system is generally sound but there are some weaknesses of the design of control and / or the inconsistent application of controls.  Opportunities exist to mitigate further against potential risks.
<b>LIMITED</b>	There are weaknesses in the design of controls and / or consistency of application, which can put the system objectives at risk. Therefore, there is a need to introduce additional controls and improve compliance with existing ones to reduce the risk exposure for the Authority.
<b>NO</b>	Controls are weak and /or there is consistent non-compliance, which can result in the failure of the system. Failure to improve controls will expose the Authority to significant risk, which could lead to major financial loss, embarrassment or failure to achieve key service objectives.

- 10.5 Following the end of the year, an annual report will be produced setting out Internal Audits opinion on the state of the internal controls and governance across the Council. This will comment upon:

- The scope including the time period to which the opinions pertains;
- Any scope limitations;
- Consideration of all related projects including the reliance on other assurance providers;
- The risk or control framework or other criteria used as a basis for the overall opinion;
- The overall opinion, providing reasons where an unfavourable overall opinion is given; and
- A statement on conformance with the PSIAS and the results of the quality assurance and improvement programme.

<b>TABLE 4: PLANNING AND REPORTING FREQUENCY</b>			
<b>Report Produced</b>	<b>For</b>	<b>Reason</b>	<b>Content</b>
Audit Assignment Report	<ul style="list-style-type: none"> <li>• Director</li> <li>• Head of Service</li> </ul>	The end of each audit assignment as the main recipient and those charged with actioning the issues identified	<ul style="list-style-type: none"> <li>• Executive Summary</li> <li>• Audit Opinion</li> <li>• Detailed risk issues</li> <li>• Agreed improvement plan</li> </ul>
	<ul style="list-style-type: none"> <li>• Chief Executive</li> <li>• Lead of the Council</li> <li>• Executive Councillor</li> <li>• External Audit</li> <li>• S.151 Officer</li> <li>• Monitoring Officer</li> </ul>	At the conclusion of the audit for information purposes	As above
Half Year Progress Reports	Civic Affairs Committee	To provide the Council with progress at delivering the audit service and any key governance issues arising.	<ul style="list-style-type: none"> <li>• Progress against annual plan</li> <li>• Any amendments to current annual plan</li> <li>• Details of significant risk issues</li> <li>• Details of non-responses or non-implementation of actions</li> </ul>
Annual Opinion and Performance Report	<ul style="list-style-type: none"> <li>• Civic Affairs Committee</li> <li>• External Audit</li> </ul>	The end of each year in accordance with PSIAS. An evaluation of the works undertaken and the level of assurance established.	<ul style="list-style-type: none"> <li>• Annual assurance report giving HoIA's opinion on the control environment</li> <li>• Achievement of the annual plan and performance data.</li> <li>• Effectiveness of Internal Audit</li> <li>• Compliance with PSIAS and any associated quality improvement plan</li> </ul>
Annual Audit Plan	<ul style="list-style-type: none"> <li>• DMT's</li> <li>• Civic Affairs Committee</li> <li>• S.151 Officer</li> <li>• External Audit</li> </ul>	Beginning of year. Details of the service delivered and the future plans to provide assurance across the Council in accordance with PSIAS.	Audit Plan and associated documents

## 11. **QUALITY ASSURANCE AND IMPROVEMENT**

11.1 The PSIAS require that the Internal Audit develops and maintains a quality assurance and improvement programme that covers all aspects of the Internal Audit activity, and includes both internal and external assessments. In the event of an improvement plan proving necessary to formulate and implement, in order to further develop existing service provisions, the HoIA will initiate the appropriate action and annually, the results of the quality and assurance programme together with progress made against the improvement plan will be reported to senior management and the Civic Affairs Committee.

### 11.2 **Internal Assessments**

The PSIAS additionally require periodic self-assessments or assessments by other persons within the organisation with sufficient knowledge of Internal Audit practices. This obligation is satisfied by the HoIA performing an annual self-assessment of the effectiveness of Internal Audit, before the results are submitted to the Civic Affairs Committee. Presenting this information to the Civic Affairs Committee enables members to be assured that the Internal Audit Service is operating in a satisfactory manner such that reliance can be placed on the subsequent annual audit opinion provided by the HoIA. This is complemented by an external assessment (see 11.3).

Internal arrangements also include receipt of post audit feedback from auditees and should criticism be received, this will immediately be investigated and steps taken to resolve matters raised. Prior years have seen post audit questionnaires issued. Following changes to the Councils intranet, audit have been unable to issue / record PAQ's. This will be addressed going forward and forms part of our improvement plan.

### 11.3 **External Assessments**

External assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation. External assessments can be in the form of a full external assessment, or a self-assessment with independent external verification.

The HoIA will agree with the Director of Business Transformation and / or Section 151 Officer the form of the external assessments; and, the qualifications and independence of the external assessor or assessment team, including any potential conflict of interest. As part of the shared management arrangements, it would be prudent for each authority to be reviewed at the same time. This is currently planned for 2015 / 2016.

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<b>CAMBRIDGE CITY COUNCIL</b> <b>INTERNAL AUDIT PLAN 2015 / 2016</b>
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**1. INTRODUCTION**

- 1.1 This document is intended to demonstrate how Internal Audit will support the overall aims and objectives of the Council. It will be reviewed throughout the year to ensure its continued relevance, both in terms of supporting the council's aims and in achieving a professional, modern audit service.
- 1.2 The Accounts and Audit Regulations 2011 stipulate that a council should maintain "*a sound system of internal control which facilitates the effective exercise of that body's functions and which includes arrangements for the management of risk*". The regulations also provide that council's "*undertake an adequate and effective internal audit of its accounting records and of its system of internal control*" in accordance with the Public Sector Internal Audit Standards. The Council's Internal Audit team are bound by the mandatory requirements of these standards.
- 1.3 Internal audit is defined as 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
- 1.4 The provision of assurance is the key role for Internal Audit. This role requires the Head of Internal Audit to provide an annual internal audit opinion based on an objective assessment of the framework of governance, risk management and control. This audit opinion is provided to the Audit Committee and also feeds into the Annual Governance Statement. An overview of risk management and governance processes and key financial controls is also a significant aspect of our work.
- 1.5 Consulting services are advisory in nature and are generally performed at the specific request of management, with the aim of improving operations. Requests of this nature are considered in light of resource availability and our primary role of assurance.

## 2. STRATEGY

- 2.1 Shared management arrangements have been in place since January 2011 between Cambridge and Peterborough City Council and this was extended to include South Cambs in July 2013. The reduced provision has seen a commensurate reduction in cost. Activities being considered to improve services going forward include:
- Use of specialist audit IT software to look to enhance our audit processes;
  - Where appropriate, use assurance provided from other authorities on audit activities; and
  - The potential to expand the shared arrangements, subject to appropriate caveats in place to protect Cambridge services. As a minimum this will constitute a review of the existing arrangements.

## 3. AUDIT PLAN

- 3.1 The sources of information used in identifying the priorities put forward for audit coverage include the Council objectives; Medium Term Financial Strategy; Portfolio and Operational Plans; the Council's strategic and operational risk registers; and consultations with individual directors and their management teams.
- 3.2 The Plan for 2015 / 2016 aims to give the Council the best audit coverage within the resources currently available. Though it is compiled and presented as a plan of work, it must be recognised that it can only be a statement of intent. Whilst every effort will be made to deliver the plan, Internal Audit recognises that it needs to be flexible. Any substantial changes will be referred to the Chair of Civic Affairs should the need arise.
- 3.3 Resource requirements are reviewed each year as part of the audit planning process. Current plans are based upon 4.57 FTE; this includes one full time post which is currently vacant (interviews planned March 2015).
- 3.4 We have attempted to map the audit activities across a series of broad areas, these being:
- Core Systems.
  - Annual Governance and Assurance Framework
  - Corporate Cross Cutting Audits.
  - Projects and Contracts. On-going project management and challenge of key contracts.
  - Departmental

3.5 The overall allocation of time from the estimated 674 days available is as follows (compared with previous year):

<b>Table 1: INTERNAL AUDIT ALLOCATIONS</b>				
	<b>2015 / 2016 Days</b>	<b>2015 / 2016 %</b>	<b>2014 / 2015 Days</b>	<b>2014 / 2015 %</b>
Core Systems Assurance Work	32	4.7	36	5.3
Annual Governance and Assurance Framework	60	8.9	60	8.9
Corporate Cross Cutting Audits	28	4.2	62	9.1
Contracts / Projects	95	14.1	90	13.2
Department Specific	159	23.6	130	19.2
Other Resource Provisions	300	44.5	300	44.3
<b>TOTAL RESOURCES ALLOCATED</b>	<b>674</b>	<b>100.0</b>	<b>678</b>	<b>100.0</b>

3.6 The internal audit plan needs to be fluid and flexible enough to enable the internal audit service to be reactive as required to situations arising during the course of the period covered by the plan. A contingency reserve element has been built in, to assist in dealing with any such matters arising to hopefully at least minimise any major impact on the work plan itself.

**DRAFT INTERNAL AUDIT PLAN 2015/16**

SERVICE / AREA FOR REVIEW	RISK REF	OUTLINE AUDIT SCOPE	CRITICAL		AUDIT DAYS
			YES	REASON	
<b>CORPORATE/CROSS-CUTTING AUDITS</b>					
Internal Audit provides support to Council and Directorate objectives by testing the effectiveness of controls designed to mitigate identified risks.					
<b>Standards/Gifts &amp; Hospitality/Ethics &amp; Culture/Bribery Act</b>		The Public Sector Internal Audit Standards require Internal Audit to evaluate the design, implementation and effectiveness of the organisation's ethics-related objectives, programmes and activities.			10
<b>CCTV</b>		Review arrangements for the procurement and installation of CCTV cameras across the authority to ensure that this has been done in line with service protocols and that they are covered by the shared service arrangement.			8
<b>Implementation of key Council Strategies</b>		Review of arrangements in place to ensure the delivery of key council strategies.			10
				<b>TOTAL</b>	<b>28</b>



SERVICE / AREA FOR REVIEW	RISK REF	AUDIT SCOPE	Critical		Audit Days
			Yes	Reason	
<b>CONTRACTS AND PROJECTS</b>					
The majority of projects included in this section of the plan come under the Business Transformation agenda. Internal Audit will provide ongoing input into these reviews to ensure they are properly managed and to ensure that effective contract and procurement arrangements are in place. Where appropriate gateway reviews can be undertaken at key points during the course of the project.					
<b>Transforming how we deliver services</b>	Various PO Projects	Ongoing communication with project lead for this strand of the Business Transformation agenda to provide audit input on key issues arising in specific projects.	Yes		15
<b>Building Cleaning Contract – Post Implementation Review</b>	Project BCL	Post implementation review of this key Council project with a view to ensuring that lessons learned are identified and shared across the authority.			5
<b>Fleet Review (Refuse &amp; Environment)</b>	PO Fleet	Provide audit input to this review.			8
<b>Banking Contract</b>	Project BC	Provide audit input to this key Council project. 'Critical friend' role.			8
<b>Redevelopment of Park Street Car Park (Specialist Services)</b>	SS2	Provide audit input at key stages to this key re-development project.	Yes	High value project. High reputational risk.	8
<b>Ditchburn Place Refurbishment (City Homes)</b>		Major project – recommend gateway review at key point(s) during the course of the project.	Yes	High value project. High reputational risk.	10
<b>Cultural Trust – Post Implementation Review</b>	Project CT	Provide audit input to a review to identify key lessons learned and ensure these are shared across the authority.			5
<b>Tourism – Destination Management Organisation (DMO)</b>	PO Tourism	Provide audit input to this key Council project. 'Critical friend' role.	Yes	Key CCC project. High reputational risk.	10
<b>Joint Waste Service/Relocation to Waterbeach (Refuse &amp; Environment)</b>	PO Waste	Major project – recommend gateway review at key point(s) during the course of the project.	Yes	Key CCC project. High reputational risk.	10
<b>Community Infrastructure Levy (CIL) (Planning)</b>	Project CIL	Provide audit input to this key Council project through attendance at project team meetings and possible gateway review (s) at key points during the project.	Yes	Key CCC project. High reputational risk.	10
<b>Clay Farm – Community Centre (Strategic Housing)</b>	Project CFCC	Ongoing review of progress in relation to expected deliverables from the project.	Yes	Key CCC project. High reputational risk.	6
<b>TOTAL</b>					<b>95</b>

There is also a small contingency of 40 days to provide ad hoc audit input/advice on other projects that arise during the year that are not included in the above list.

DEPARTMENT SPECIFIC REVIEWS					
SERVICE / AREA FOR REVIEW	RISK REF	AUDIT SCOPE	Critical		Audit Days
			Yes	Reason	
<b>CHIEF EXECUTIVE/CORPORATE STRATEGY</b>					
Transparency Agenda	SLT3	Review compliance with the requirements of new transparency legislation.			10
Carbon Management Information	CorpS4 and SLT9	Review accuracy of information to be included in the 2014/15 Carbon Management report, as this will provide the baseline data for future years.	Yes	To provide assurance on baseline data	5
Member Training	CorpS6	Review of arrangements for providing training to new and existing members, including identification of training needs, recording and provision of training.			8
<b>CUSTOMER AND COMMUNITY</b>					
Former Tenant Arrears (City Homes)	CH2	A high level review of Former Tenant Arrears (FTAs) was undertaken in 2014/15 as part of the review of Rent Accounting processes. This identified a number of weaknesses with the FTAs process and it was therefore agreed with the Head of Housing that a more in-depth review will be undertaken in 2015/16.			8
Stores Review (Estates & Facilities)	E&F9	To undertake a review of procurement arrangements for materials for stores, examining pricing/ sourcing processes and testing to see whether the Council is achieving best value. The outcome from this audit will feed into the review of the Stores function to be undertaken by the Head of Estates & Facilities and will be scheduled for Q1.	Yes	To feed into Stores Review	8
Town Hall Lettings Scheme (Strategic Housing)		To review the management controls in place for this pilot Lettings scheme. To feed into the report to Committee on proposals for the future of the scheme.			8
ChYpPS Adventures (Communities, Arts and Recreation)		To provide audit input to this income generation scheme.			6
Management of Premises – Hostels and sheltered accommodation (City Homes)	CH14	Premises related risks associated with Hostels and sheltered accommodation identified as a risk on the risk register and area not reviewed previously by Audit. Review arrangements in place for ensuring premises are properly managed and in compliance with relevant legislation.			10
Cambridge BID (Revs & Bens)	R&B14	Review of billing and collection procedures and arrangements for paying over monies received.			8
HB – Risk Based Verification (RBV) (Revs & Bens)	R&B4	Review of effectiveness of Risk Based Verification in reducing HB fraud.			8

DEPARTMENT SPECIFIC REVIEWS					
SERVICE / AREA FOR REVIEW	RISK REF	AUDIT SCOPE	Critical		
			Yes	Reason	Audit Days
<b>ENVIRONMENT</b>					
Bereavement Services (Specialist Services)	SS3 & SS9	Review of implementation of on-line systems and Commemorations Service/Income generation.			8
Car Parks Management System (Specialist Services)	SS9	Evaluation of implementation of new car park management system at Grand Arcade. Identify lessons learned to feed into decision as to whether to roll out across other car parks.			10
Contaminated Land (Refuse & Environment)	R&E25	Review controls in place to manage the risks associated with contaminated land on growth sites – Area last reviewed by audit in 2008/09.			8
Streets & Open Spaces – Project Delivery	S&OS1	Review of a sample of projects to ensure proper arrangements in place to deliver the project. Also to follow up actions agreed at the time of the last audit in 2011/12.			10
Refuse and Environment – Managing Income	R&E1, 2, & 3	Review controls in place to manage risks on the risk register relating to reduction of income, i.e. dry recycling, recycling credits and commercial waste.			8
<b>BUSINESS TRANSFORMATION</b>					
Compliance with RIPA Legislation (Legal)	SLT3	To review processes in place to ensure compliance with RIPA legislation.			8
Recharges/ Central Support Costs (Finance)	FIN5 /11	Examine the basis and accuracy for recharging central support costs to ensure they are in line with best practice.			10
Procurement Cards (Support Services)	FIN2	To review processes for administering and managing expenditure made via procurement cards, including approval process and to examine the nature of this spend.			8
Commercial Property – Management of asbestos, legionella, Fire Risk Assessments (Property)	PROP5,6 & 9	Review of controls in place to manage key risks included on the risk register in relation to commercial property management.			10
				<b>TOTAL</b>	<b>159</b>

SERVICE / AREA FOR REVIEW	RISK REF	AUDIT SCOPE	Critical		Audit Days
			Yes	Reason	
<b>ANNUAL GOVERNANCE AND ASSURANCE FRAMEWORK</b>					
Each year the Council is obliged to issue a statement on the effectiveness of its governance arrangements. This section includes audit work that relates to the production of the Annual Governance Statement.					
<b>Annual Governance Statement</b>		Input to the draft AGS and action plan.	Yes	Corporate responsibility	8
<b>Annual Audit Opinion</b>		Head of Internal Audit opinion on the state of governance and the internal control framework in place within Cambridge City Council.	Yes	Corporate responsibility	8
<b>Internal Audit Effectiveness</b>		Review of the Internal Audit service against the Public Sector Internal Audit Standards.	Yes	Corporate responsibility	6
<b>Prevention of Fraud and Corruption Policy and completion of Annual Fraud Survey</b>		Review of Policy and reporting of fraud and whistle-blowing cases to Civic Affairs that have arisen during previous year. Completion of Annual Fraud Survey on behalf of authority.	Yes	Corporate responsibility	8
<b>National Fraud Initiative</b>		Review and follow up of match reports from 2014/15 exercise.	Yes	Corporate responsibility	30
				<b>TOTAL</b>	<b>60</b>

SERVICE / AREA FOR REVIEW	RISK REF	AUDIT SCOPE	Critical Service Review		
			Yes	Reason	Audit Days
<b>CORE SYSTEM ASSURANCE WORK</b>					
Core systems are those that are fundamental to providing control assurance for internal financial control and allow the s.151 officer to make her statement included in the authority's Annual Statement of Accounts. The External Auditor also places reliance on the work undertaken by Internal Audit on core systems.					
<b>Housing Benefit</b>		System Parameter Testing	Yes	External Audit Assurance work	12
<b>Council Tax</b>		The audit will focus on controls in place to ensure the completeness, promptness, accuracy and validity of Council Tax transactions. Includes coverage of any External Audit requirements identified.			
<b>NDR</b>		To review the property register; liable persons / discounts and exemptions evidenced and recorded; amounts due calculated accurately / promptly demanded; income received and accounted for; non-payment identified and pursued; systems and data secure. Review IT system controls.	-		-
<b>Main Accounting</b>		System based approach considering key risk exposures. Test adequacy of input controls and include feeder system interfaces into the general ledger and reconciliation of control and suspense accounts.	Yes		12
<b>Treasury Management</b>		To review the processes and procedures in dealing with and recording of short term and long term investments as well as evaluating the controls in place to mitigate against risks faced by Cambridge City Council as a result of the economic climate.	-		-
<b>Accounts Payable</b>		Systems based approach considering key risk exposures. Include mapping of key control areas and coverage of External Audit requirements.	-		-
<b>Payroll</b>		Systems based approach considering key risk exposures. Include mapping of key control areas and coverage of External Audit requirements.			-
<b>Accounts Receivable</b>		Systems based approach considering key risk exposures. Include mapping of key control areas and coverage of External Audit requirements.			-

SERVICE / AREA FOR REVIEW	RISK REF	AUDIT SCOPE	Critical Service Review		
			Yes	Reason	Audit Days
Fixed Asset Register / Capital Accounting		To evaluate the controls in operation for the identification of assets, disposal and transfers to the fixed asset register system, together with the accounting processes that have been adopted. Assess how future costs of repairs and maintenance are being identified and budgeted for.	-		-
Rent Accounting		The audit will review system access controls, rent collection and arrears management	-	-	-
BACS Payments		The BACS system processes £millions each year through Payroll, Creditors and Benefits. To test controls to ensure that payments made through BACS are accurately recorded and that appropriate segregation of duties is maintained.	Yes		8
VAT		To provide assurance that VAT is correctly accounted for by the authority and on a timely basis.	-		-
<b>TOTAL</b>					<b>32</b>

**N.B. The above is a full list of the Council's key financial systems. The un-shaded areas will be reviewed in this year. The shaded areas will not be completed in this year, but will be reviewed in future years.**

SERVICE / SYSTEM	COUNCIL OBJECTIVE	AUDIT SCOPE	
<b>OTHER RESOURCE PROVISIONS</b>			
Throughout the year audit activities will include reviews that have not been specified within the plan, including management requests as a result of changing risks; following up agreed audit actions and completion of audit work from the 2014-15 audit plan.			
<b>Carry Forward Activities</b>	ALL	Completion of audits from 2014-15 IA plan.	150
<b>Follow Up Provision</b>	ALL	Follow up of actions agreed in 2014-15 audits.	25
<b>Project Management/ Procurement/ Contract Management advice</b>	ALL	Assist Procurement Team in the provision of ongoing advice and support to service areas involved in key projects and procurement exercises.	40
<b>Fraud / Irregularity Contingency</b>	ALL	Pro-active counter fraud-work, together with re-active work where suspected irregularities have been detected or reported via the whistleblowing route.	25
<b>Requested Work Contingency</b>	ALL	Allowance exists to provide flexibility within the audit plan for time spent on providing risk and control advice to officers, management /members and ad hoc requests and consultancy work.	30
<b>Risk Management</b>	ALL	Reviewing and monitoring of Council's risks and implementation of actions agreed to mitigate risks.	30
<b>TOTAL</b>			<b>300</b>

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## INTERNAL AUDIT: PERFORMANCE INDICATORS (AT MARCH 2014)

## SERVICE

Indicator	Target	Purpose
% of audit plan (Critical Areas)	100 %	Coverage of the key systems
% Actions accepted by management	100 %	<p>Internal Audit strives to agree all actions with management.</p> <p>Acceptance by management ensures that where improvements are required to the internal control environment, appropriate action will be taken to secure these enhancements.</p> <p>However, there can be occasions where actions are disputed. In these cases, there may be justifiable reasons for management not supporting them. Conversely, management can take the decision to accept the risks identified, particularly if insufficient resources preclude action being taken. However, this will mean that there are vulnerabilities in systems of internal control, which are not being addressed.</p>
% Actions implemented to timescale	90%	This indicator measures the effectiveness of management in making change. Management commitment in implementing actions ensures that high profile risks / fundamental flaws in systems of internal control are suitably resolved.
Days between the completion of audit fieldwork and issue of draft report	15 working days	The draft report is the first stage after which management will have written confirmation of the audit outcomes. Issue on a timely basis provides better opportunity for management to be able to comment, and also ensures that the audit plan is delivered as expected.
Days between the issue of the draft and final report	10 working days	Delivery of a timely final report ensures that management can commence the process of addressing internal control weaknesses.

## COMPLIANCE WITH STANDARDS

Compliance with the Public Sector Internal Audit Standards	Full	<p>These Standards encompass the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework.</p> <p>A checklist has been developed from the guidance, which will be completed annually, with the results feeding into our review of the effectiveness of internal audit.</p>
Compliance with the CIPFA Statement on the Role of the Head of Internal Audit	Full	<p>This Statement sets out what CIPFA considers being best practice for Heads of Internal Audit in terms of providing a summary of the core responsibilities entailed in the role to support the Council in achieving its objectives, by giving assurance on its internal control arrangements and playing a key part in promoting good corporate governance. A checklist has been developed from the guidance, which is completed annually and feeds into our review of the effectiveness of internal audit.</p>

IMPLEMENTATION OF AGREED INTERNAL AUDIT ACTIONS

APPENDIX D

TABLE 1 - POSITION AS AT 31<sup>ST</sup> OCTOBER 2014 (AS REPORTED TO CIVIC AFFAIRS IN NOVEMBER 2014)

YEAR	Agreed	Implemented	Completion Date Not Due	Cancelled	Overdue Action
Pre 2012 / 2013	288	246	4	30	8
2012 / 2013	140	129	6	4	1
2013 / 2014	67	46	11	1	9
2014 / 2015	13	1	11	0	1
<b>TOTAL</b>	<b>508</b>	<b>422</b>	<b>32</b>	<b>35</b>	<b>19</b>

TABLE 2 - POSITION AS AT 26<sup>TH</sup> FEBRUARY 2015

YEAR	Agreed	Implemented	Completion Date Not Due	Cancelled	Overdue Action
Pre 2012 / 2013	288	247	5	29	7
2012 / 2013	140	130	3	4	3
2013 / 2014	85	58	17	2	8
2014 / 2015	57	32	21	0	4
<b>TOTAL</b>	<b>570</b>	<b>467</b>	<b>46</b>	<b>35</b>	<b>22</b>

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## CAMBRIDGE CITY COUNCIL

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REPORT OF: Head of Legal Services

TO: Civic Affairs Committee 18/3/2015

WARDS: None directly affected

### **PROCEDURE FOR SUBMITTING SUBSTANTIVE AMENDMENTS TO FULL COUNCIL MEETINGS**

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#### **1 INTRODUCTION**

- 1.1 The Leader of the Council has asked for consideration to be given to changes to the procedure for submitting amendments to full Council meetings, particularly those that have potential budget or significant service delivery implications.
- 1.2 Under the Council's constitution, councillors may currently move amendments to motions or recommendations without giving notice. The Council has adopted a non-binding and not always effective convention encouraging members to give notice of the text of substantive amendments by noon on the day of the Council meeting. However, this still allows inadequate time for officers to give appropriate consideration of amendments in advance of the meeting and for the provision of advice on their implications. This can lead to difficulty and confusion at Council meetings, as well as the risk of bad decisions and potential for unanticipated budget implications, including where hurried amendments are proposed to reports to Council that have not scrutinised at Committee.
- 1.3 The report proposes a rule requiring the submission of substantive amendments by noon on the day preceding the meeting (i.e. generally noon on the preceding Wednesday).

#### **2. RECOMMENDATION**

- 2.1 That Council adopts the changes to its constitution proposed in Appendix 1.

### 3. **BACKGROUND**

- 3.1 The Council agenda is published at least five working days before the meeting. It contains the recommendations and motions to be considered at the meeting. This allows time for councillors to consider their views on the matters under consideration and, if necessary, obtain further information and advice from officers.
- 3.2 Amendments put before the Council are often complex, raising issues of principle, issues that affect the way the Council delivers services and issues that potentially require officer advice on service, financial or legal matters. The convention that substantive amendments will be submitted by noon on the day of the meeting is helpful, but allows very little time for circulation of amendments, for members and officers to consider their implications and for the provision of officer advice. This has, on occasion, led to the need for Council meetings to be suspended for informal discussion and carries the risk that decisions will be made without understanding of their implications.
- 3.3 In order to allow for better consideration of amendments, this report recommends that notice of substantive amendments must be given by noon on the day preceding the Council meeting. This report does not propose extending this principle to meetings of scrutiny, regulatory or other committee meetings.
- 3.4 A proposed scheme for the submission of amendments is attached as Appendix 1 to this report. As for the scheme relating to budgets amendments, the Mayor may exercise discretion in admitting amendments in some circumstances.

### 3.5. **CONSULTATIONS**

The proposals in this report concern internal Council mechanisms and no consultation has taken place externally. The report is being circulated to all councillors. If its recommendations are supported at this committee, they will be submitted for adoption at the Council AGM. This will allow all members an opportunity to consider and to debate the proposals.

### 3.6 OPTIONS

The obvious options are to make no change or to amend the non-binding convention to provide for earlier submission of substantive amendments.

### 4. CONCLUSIONS

The benefit of the change will be in allowing more time for considering submitted amendments and for the provision of officer advice, and clear, informed options that councillors will know about before Council meetings.

### 5. IMPLICATIONS

- (a) **Financial Implications** There are no direct financial implications to this report. However, it is important that proper consideration is given to the financial implications of amendments submitted to Council meetings.
- (b) **Staffing Implications** There are no staffing implications.
- (c) **Equality and Poverty Implications** An Equality Impact Assessment not been conducted on recommendation. There are no obvious equality and poverty implications of the proposals.
- (d) **Environmental Implications** The proposals in this report have a "nil" climate change impact.
- (e) **Procurement** There are no procurement implications.
- (f) **Consultation and communication** See paragraph 3.5 above.
- (g) **Community Safety** There are no community safety implications.

**BACKGROUND PAPERS:** The following are the background papers that were used in the preparation of this report: The Council's Constitution. To inspect this document contact Simon Pugh on 01223 457401 or [simon.pugh@cambridge.gov.uk](mailto:simon.pugh@cambridge.gov.uk) or view at <https://www.cambridge.gov.uk/constitution>

The author and contact officer for queries on the report is Simon Pugh on 01223 457401 or [simon.pugh@cambridge.gov.uk](mailto:simon.pugh@cambridge.gov.uk)

## Appendix 1

### Amendments proposed to the Constitution.

#### 1. Amend Council Procedure Rule 14 by adding the words in bold:

14. Motions without notice

14.1 The following motions may be moved without notice....

8. to amend a motion, **subject to Council Procedure Rule 23**

#### 2. Amend Council Procedure Rule 23 as follows:

a) Add "and recommendations" to the title of this rule to read "Amendments to motions and recommendations".

b) Delete Council Procedure Rule 23.2:

Members are encouraged, by non-binding convention, to give written notice to the Chief Executive of the text of substantial amendments to motions. Notice should be given by noon on the day of the Council meeting at which the motion is to be considered (or 9.00 am in the case of the Annual Meeting). The text of amendments of which notice has been given will be made available promptly to the mover and seconder and will be available in the Council Chamber by the start of the meeting.

c) Substitute new Council Procedure Rule 23.2:

Subject to Rule 5A (Budgets Meetings) and to the exceptions in Rule 23.4, amendments to recommendations or motions set out in the Council Agenda for a meeting shall only be considered if they have been delivered in writing to the Chief Executive by noon on the day preceding the meeting (or 9.00 am in the case of the Annual Meeting). (This rule does not apply to meetings of the Executive or to meetings of committees.)

d) Add new Council Procedure Rule 23.3:

The Council may, by a simple majority, suspend Rule 23.2 to permit amendments to be moved where no, or inadequate, notice has been given.

e) Add new Council Procedure Rule 23.4:



The exceptions to Rule 23.2 are:

1. Technical amendments may be moved to correct arithmetical or factual errors or to improve the wording of a motion or recommendation.
2. The Mayor shall have discretion to permit amendments from members when satisfied that the need for the amendment could not have been anticipated before the deadline. The Mayor should also be satisfied that advance notice of such amendments was given as soon as reasonably practical, and not left to the day of the meeting unless this was unavoidable.
3. Members may submit amendments where the Mayor is satisfied that they do not make substantive changes to motions or recommendations, or to amendments of which notice has been given in accordance with rule 23.2.

Consolidated version:

### **23. Amendments to motions and recommendations**

23.1 An amendment shall be relevant to the motion and shall be either -

1. to refer back a subject of debate to a committee or to an Executive Councillor for consideration or re-consideration;
2. to leave out words;
3. to leave out words and insert or add others;
4. to insert or add words:

but such omission, insertion or addition of words shall not have the effect of negating the motion before the Council.

(NOTE: Although a member may not move as an amendment the insertion or the deletion of the word "NOT", if s/he is opposed to the motion before the Council but does not wish to move reference back or other amendment it is open to him/her to require the Mayor to put the motion to the vote and then vote against the motion).

23.2 Subject to Rule 5A (Budgets Meetings) and to the exceptions in

Rule 23.4, amendments to recommendations or motions set out in the Council Agenda for a meeting shall only be considered if they have been delivered in writing to the Chief Executive by noon on the day preceding the meeting (or 9.00 am in the case of the Annual Meeting). (This rule does not apply to meetings of the Executive or to meetings of committees.)

23.3 The Council may, by a simple majority, suspend Rule 23.2 to permit amendments to be moved where no, or inadequate, notice has been given.

23.4 The exceptions to Rule 23.2 are:

1. Technical amendments may be moved to correct arithmetical or factual errors or to improve the wording of a motion or recommendation.
2. The Mayor shall have discretion to permit amendments from members when satisfied that the need for the amendment could not have been anticipated before the deadline. The Mayor should also be satisfied that advance notice of such amendments was given as soon as reasonably practical, and not left to the day of the meeting unless this was unavoidable.
3. Members may submit amendments where the Mayor is satisfied that they do not make substantive changes to motions or recommendations, or to amendments of which notice has been given in accordance with rule 23.2.

## CAMBRIDGE CITY COUNCIL

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REPORT OF: Democratic Services Manager

TO: Civic Affairs Committee

18 /3/2015

WARDS: None directly affected

### **MEMBERS' ALLOWANCES-MUNICIPAL YEAR 2015/16 AND REVIEW**

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#### **1 INTRODUCTION**

The Committee is asked to consider whether the existing Members' Allowances Scheme be retained for 2015/16 and whether a review of the Scheme should be undertaken with recommendations ready for implementation in 2016/17.

#### **2. RECOMMENDATION**

- i) To recommend to Council (on 16 April 2015) that the existing Members' Allowances Scheme be continued for the 2015/16 Municipal Year (as appended).
- ii) To decide whether to review the Allowances Scheme in 2015/16 and if so, it being subject to a further report to committee in June 2015 detailing the terms of reference and scope for an Independent Remuneration Panel to work to.

#### **3. BACKGROUND**

- 3.1 A Members' Allowances Scheme is agreed by the Council. If any changes are to be made to an existing scheme, it can only be done following consideration of the changes by an Independent Remuneration Panel.
- 3.2 This Council has chosen to agree its Allowance Scheme annually and has also agreed to keep the allowances and scheme at the level set in 2007/08. It is not known to officers if the continuation of a Scheme for so long without reviewing the levels of allowance has

proven to be an impediment to anyone standing for office or seeking re-election.

- 3.3 The Committee is asked whether it wishes to review the Scheme. If so, a report would be brought back to the committee in June to agree how this will be undertaken.

#### 4. **IMPLICATIONS**

(a) **Financial Implications**

There is £252,780 in the 2015/16 budget allocated for Members' Allowances.

- (b) **Staffing Implications** – none.

(c) **Equal Opportunities Implications**

An equalities impact assessment was not undertaken as the proposal is for no change. The implications of continuing with the existing scheme are referred to in paragraph 3.

- (d) **Environmental Implications**- none

- (e) **Procurement**-none

- (f) **Consultation and communication** – there is a statutory requirement to publish in a local newspaper the allowances received by each Councillor in a municipal year. There is public interest in the level of allowances politicians receive at a national and local level.

- (g) **Community Safety**-none

#### **BACKGROUND PAPERS:** None

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