



# Uttlesford District Council

Chief Executive: John Mitchell

## Performance and Audit

**Date:** Thursday, 24 September 2015  
**Time:** 19:30  
**Venue:** Committee Room  
**Address:** Council Offices, London Road, Saffron Walden, CB11 4ER

**Members:** Councillors G Barker, M Foley, J Freeman, J Gordon, D Jones, N Hargreaves, T Knight, B Light, J Loughlin and E Oliver (Chairman).

### Public Speaking

At the start of the meeting there will be an opportunity of up to 15 minutes for members of the public to ask questions and make statements subject to having given two working days prior notice.

## AGENDA PART 1

### Open to Public and Press

- |   |   |         |
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| 1 | Apologies for absence and declarations of interest. |         |
| 2 | Minutes of previous meeting                         | 5 - 16  |
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8 Any other items which the Chairman considers to be urgent

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The agenda is split into two parts. Most of the business is dealt with in Part 1 which is open to the public. Part II includes items which may be discussed in the absence of the press or public, as they deal with information which is personal or sensitive for some other reason. You will be asked to leave the meeting before Part II items are discussed.

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**PERFORMANCE AND AUDIT COMMITTEE held at COUNCIL OFFICES  
LONDON ROAD SAFFRON WALDEN at 7.30 pm on 30 JULY 2015**

Present: Councillor E Oliver – Chairman.

Councillors G Barker, M Foley, J Gordon, D Jones, N  
Hargreaves, B Light and J Loughlin.

Also present: Councillors H Rolfe (Leader) and S Howell (Cabinet Member  
for Finance and Administration).

Officers in attendance: J Mitchell (Chief Executive), S Bronson (Internal  
Audit Manager), R Dobson (Principal Democratic and Electoral  
Services Officer), A Knight (Assistant Director – Finance) and A  
Webb (Director of Finance and Corporate Services).

**PA1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Apologies for absence were received from Councillors T Knight and from  
R Auty (Assistant Director Corporate Services) and EY. It was noted that  
the absence of EY, the external auditor was unfortunately due to an  
accident and the good wishes of the committee would be passed on to  
her.

**PA2 MINUTES**

The minutes of the meeting held on 12 February 2015 were signed by the  
Chairman as a correct record.

**PA3 MATTERS ARISING**

The committee received an update on completed actions identified at the  
meeting held on 12 February 2015, as follows:

**(i) Minute PA41 – internal audit work programme 2015/16**

The Committee's self-assessment meeting had been completed.

**(ii) Minute PA44 - internal audit work programme**

Section 106 agreements and electoral registration had been added  
to the 2015/16 audit programme.

**(iii) Minute PA45 – internal audit charter**

The internal audit charter was included in the papers for this meeting for information.

**(iv) Minute PA46 – Quarter 3 Performance 2014-15**

The plan for recycling promotion would be circulated to the committee following a meeting scheduled for the following week.

**(v) Minute PA 48 – audit plan**

In the absence of the external auditor at tonight's meeting, due to an accident, the audit plan was not available for circulation at this meeting.

PA4

**DRAFT ANNUAL GOVERNANCE STATEMENT 2014-15**

The committee received a report from the Audit Manager, seeking approval of the annual governance statement.

Councillor Hargreaves asked whether the inclusion in the framework of the code of conduct was automatic, and whether any revisions to the code which might be agreed following recommendations by the Standards Task Group could be taken into account in this document.

The Audit Manager confirmed the code of conduct was included in the governance statement each year and that the document being considered related to the previous year.

The Director of Finance and Corporate Services said the following year's annual governance statement would reflect any revisions which might be agreed during the forthcoming year by the Standards Committee to the code of conduct.

Councillor Hargreaves referred to the section of the annual governance statement which reported on the responsibility of the Standards Committee in investigating alleged breaches of the code of conduct. He said the presentation of the information was confusing and that it would be clearer if it were set out in a table form.

Councillor G Barker asked whether the format of the governance statement was prescribed.

The Audit Manager said the format was not prescribed, but followed a recommended format which was updated each year.

RESOLVED to approve the annual governance statement 2014/15.

PA5

## **DRAFT STATEMENT OF ACCOUNTS**

Members considered the 2014/15 draft statement of accounts.

*Councillor Jones declared a pecuniary interest as a member of the Essex Pension Fund.*

The Assistant Director - Finance said the report was for information as the committee would at its meeting on 24 September be requested to approve the audited statement of accounts for 2014/15, together with the external auditor's annual governance report. The draft Statement of accounts had been published on 16 June and was consistent with the outturn results approved by Cabinet on 18 June.

The Assistant Director - Finance drew members' attention to key items in the accounts as set out in the report. She said a significant change related to long term assets, regarding the re-valuation of the council's land and buildings, in particular council stock of approximately £36.6 million. The reasons for this re-valuation were due to factors such as the healthier state of the economy, and the value of housing within the area having increased.

Regarding the Council's current assets and liabilities, the Assistant Director - Finance said there had been a net decrease. This was primarily due movements in the collection fund balances and changes in accounting practice, to give a clearer picture in the balance sheet.

The Assistant Director – Finance referred to the Essex Pension Fund. She said the Fund was administered by Essex County Council, in accordance with the national local government pension scheme rules. There was a significant increase in long term liabilities which related to the Council's share of the Essex Pension Fund deficit of £5.2 million. The Assistant Director - Finance said the movement of £5.2 million was due to the discount rate applied to yields on high quality bonds falling from 4.4% to 3.2% and the effect of this could have been higher but due to the continued strong performance of the investment markets with an increase of 5% on the Fund's return on assets from 9% to 14% this had been reduced.

In reply to a question by Councillor Barker, the Assistant Director – Finance said re-valuation of property was an element of the CIPFA code. This year's re-valuation was a standard one involving only a small selection of assets; every five years the Council had to conduct a full re-valuation.

The Assistant Director – Finance confirmed that re-stated figures would be included in full in the final version, and that the notes on each page referred to carried forward published figures from last year's statement.

Councillor Hargreaves asked how parking income was shown, as in his view it was likely to be of interest to the public and should be highlighted separately from the section on the North Essex Parking Partnership.

The Assistant Director – Finance said the information was set out within the Highways Roads and Transport section. If further lines were to be added to highlight the information separately, it would mean consideration would then also have to be given to whether other lines should be included, and this would not be consistent with the requirements of the CIPFA guidelines. The information on car parking income formed part of the fees and charges revenue, which was set out in the outturn report presented to Cabinet in June. She would consider other options for presenting this material.

Councillor Foley asked whether it was correct that the closing reserves had been boosted by approximately £900,000 owing to an underspend of about the same amount that was not forecast in February this year when the budget for 2015/16 was set. He asked for an explanation why the forecast in February differed so much from the figures set out in the draft Statement of Accounts for 2014/15.

The Director of Finance and Corporate Services said the report which Councillor Foley referred to was the 2014/15 budget monitoring report, item 16 on the Cabinet agenda of the meeting held on 17 February 2015. He gave the following detailed answer:

That report summarised the budget position as at the end of December 2014, that is, six weeks before the meeting, and with three months of the financial year remaining. At that time the general fund was forecasting a small surplus. At the June Cabinet meeting the 2014/15 outturn was given as a similar number, however officers had been very transparent in pointing out in paragraph 16 that the pension payment of £748,000 originally planned to be funded from reserves had actually been funded from the in-year revenue account. Also included in the report at



paragraph 11 were all of the favourable and adverse budget variances with the February forecast included within the brackets. With budget forecasting, figures would inevitably change, however there were two new variances that had not previously been forecasted

The first was a technical accounting change to the way in which discretionary rate relief had been accounted for. This gave a positive variance of £366,000.

The second was office cleaning where a positive variance of £23,000 had arisen due to the difficulties in recruiting cleaners.

In addition, improved performance by the benefits service saw the predicted adverse variance of £292,000 reduce to £36,000.

The effect of all of these changes and several other lesser changes was an in-year service favourable variance of £893,000. However, even after taking this into account the reserves for 2014/15 reduced by £902,000 compared to 2013/14 as set out in the table at point 17.

Councillor Barker asked a question which had been raised at a meeting of the Scrutiny Committee, regarding whether the Statement of Accounts could include line numbering to facilitate references to items.

The Director of Finance and Corporate Services said identification numbering had been included at the budget setting stage, but the issue for the preparation of the draft Statement of Accounts was the constraints on time, as there was additional work required in ensuring additional line information was accurately cross-referenced. However officers would take this point for further consideration.

Councillor Barker asked a question about the specific figures shown against references to the Motte and Bailey at Saffron Walden Castle. The Director of Finance and Corporate Services said this and any other specific questions which members wished to ask regarding the draft Statement of Accounts would be looked at by officers after the meeting, as the intention was to enable the opportunity to address any such points before the draft Accounts were finalised.

RESOLVED to approve the draft Statement of Accounts for 2014/15.

PA6

**PERFORMANCE AND AUDIT COMMITTEE SELF-ASSESSMENT**

The Committee considered a report by the Audit Manager regarding a self-assessment of the work of the committee. The purpose of the self-assessment was to ensure the committee was meeting its responsibilities against the guidance provided the Chartered Institute of Public Finance and Accountancy (CIPFA). The self-assessment would constitute evidence in support of the Annual Governance Statement 2014/15.

Members had in April 2015 considered the performance of the committee in fulfilling its Audit Committee functions in 2014/15. The responses to the CIPFA good practice checklist were set out in the report. The conclusion of the self-assessment was that in 2014/15 the Committee had effectively fulfilled its Audit Committee functions in accordance with the guidance.

The report was noted.

PA7

**INTERNAL AUDIT ANNUAL REPORT AND OPINION 2014/15**

Members considered the report of the Internal Audit Manager advising on the work carried out by internal audit during 2014/15 and providing an overall opinion on the Council's control environment for that year.

The Internal Audit Manager said that the overall opinion was that controls had been substantially managed for 2014/15.

Councillor Loughlin asked for clarification of the irregularity provision.

The Internal Audit Manager said irregularity provision meant the days built in to the programme to schedule some days which could be allocated to any ad hoc internal audit work which came up, such as allegations of fraud.

The report was noted.

PA8

**INTERNAL AUDIT STRATEGY 2015-16 AND INTERNAL AUDIT CHARTER 2015**

Members considered a report by the Internal Audit Manager informing members about the revised internal audit strategy 2015/16 and providing new members with the internal audit charter. She said the work of internal audit was governed by the UK Public Sector Internal Audit Standards

(PSIAS). These standards required that the internal audit charter be periodically reviewed and presented to senior management and the PSIAS board for approval, and that there should be a risk-based internal audit plan that took into account the requirement to produce an annual internal audit opinion and assurance framework.

Councillor Barker asked whether the internal audit team had genuine independence, in view of the fact it reported to the section 151 officer, Chief Executive and committee Chairman. The Internal Audit Manager said that in effect the team investigated all departments and reported to senior officers and to the committee.

Councillor Barker asked whether the statement in the report “Further unrestricted access is also available to Members . . . and all authority officers” worked both ways.

The Internal Audit Manager said the intention of this phrase was to explain that the internal audit office would have unrestricted access to any member if they had concerns about any officers. She would be happy to clarify this point for future reports.

RESOLVED to approve the revised internal audit strategy 2015/16 and note the internal audit charter.

PA9

## **INTERNAL AUDIT PROGRESS REPORT**

The Committee considered the report of the Internal Audit Manager regarding the period 1 February to 17 July 2015.

The Internal Audit Manager explained that this report, which was brought to the Committee at each meeting, provided details of work undertaken by Internal Audit. It also gave updates on implemented and outstanding internal audit recommendations and highlighted any high priority recommendations which had been made. In reply to a member question, she explained the reason why the report stated there were no recommendations for level 3 or 4 risks was that none were due for implementation during the period to which the reported, rather than no such risks existing.

In response to another member question, the Internal Audit Manager explained that the reference to Covalent was a reference to the software system through which risks were reported.

The Committee noted the report.

**QUARTER 4 PERFORMANCE 2014-15**

The Committee considered the report of the Assistant Director Corporate Services. The Director of Finance and Corporate Services said the report gave the background of Key Performance Indicators, the corporate risk register for 2014/15, and the Corporate Risk Register for 2015/16.

The Director of Finance and Corporate Services highlighted the KPIs where their risk scores had attracted a red traffic light icon.

The level of staff sickness had been of concern to CMT over the 2014/15 year, although initial data for Q1 of 2015/16 had demonstrated some improvement. Sickness absence management refresher training was taking place.

Officers explained the table set out information for both long-term and short-term sickness, and that it was proposed to alter the definition of long-term absence from 40 working days to 20 days, following comparative research with other authorities. The proposed change would be the subject of consultation with Unison.

Members considered the KPI for the number of accidents that were reportable under the duty of RIDDOR, the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013.

Councillor Barker suggested RIDDOR should be an information item for the Scrutiny Committee.

Regarding KPI 14, the percentage of household waste sent for re-use, recycling and composting, the Director of Finance and Corporate Services drew attention to the fact that the figures reflected in part the percentage of dry recyclables claimed by the sorting contractor to be contaminated. There had been an ongoing dispute in 2014/15, but the contract had been terminated in April and a new contract commenced in May. Annual performance was also affected by fly tipping, of which increased levels were being experienced by other Essex councils. Where the offender could be identified, prosecution would be pursued and publicity would be given to successful prosecutions to deter others.

Members noted that in contrast to the previous situation, contractors now needed to be paid rather than receiving payment for the waste that was collected. Officers explained this change represented a swing of £500K.

Councillor Foley said he had been informed replacement of a bin would take eight weeks. The Chief Executive said there had been a problem

which had now been resolved in the delivery timings. Less time would normally be taken to arrange sending out a replacement bin.

In reply to a member question regarding whether any prosecutions had taken place in relation to fly tipping, the Chief Executive said prosecutions took place only on public land. The Director of Finance and Corporate Services said he would circulate information on the most recent prosecutions which the Council had carried out.

Members considered performance indicator 14a, the number of people presenting as homeless. Members discussed the intention of including this information as a performance indicator since there was no control over some types of homelessness.

The Chief Executive said officers were considering that point, and further discussions were taking place as to the validity of including this information as a performance indicator. Officers would report further to members on how they would recommend this information should be presented. The council had a statutory role, and if someone who presented themselves as homeless met the statutory criteria, then the council had to find them somewhere to live; after a recession there was a tendency for homelessness to increase.

The Director of Finance and Corporate Services said the issue of homelessness was going to the Housing Board. The figures for homelessness had approximately doubled from the year 2013/14 to 2014/15. The extent of social housing available was limited.

Councillor Loughlin said if a person was homeless, whether housing was low-cost or not seemed irrelevant.

The Director of Finance and Corporate Services said the benefits support for housing had become more restricted under the July 2015 budget.

Councillor Foley said there was likely to be an increased problem with homelessness, and that he was aware of other organisations such as the local church, helping people in those circumstances.

Councillor Rolfe said the Council had invested £1million in short-term housing provision last year to alleviate the problem.

The report was noted.

Councillor Rolfe asked how often the performance measures were reviewed.

The Director of Finance and Corporate Services said the indicators were reviewed annually at Corporate Management Team level and at Committee level, and target-setting was done annually.

PA11

## **CORPORATE RISK REGISTER**

The Committee considered the report of the Assistant Director Corporate Services in relation to the corporate risk register as at the end of quarter 4 of the year 2014/15 (1 January to 31 March).

The Director of Finance and Corporate Services said the reference in the report to the Local Strategic Partnership had now been overtaken by events, as the role of that body had been restructured.

Councillor Rolfe said the LSP had four workstreams, Community Safety, Children and Families, Health and Wellbeing, and Economic Development, Environment and Transport. The overseeing board, the LSP, had disbanded itself, because the view had been taken that it did not add value to the work of these groups. The aim would be to bring these workstreams into the council, and a report on how this would be done would be brought to the next meeting of the Council.

The report was noted.

The meeting ended at 8.45pm.

## ACTION POINTS

Minute PA4	The annual governance statement to include information in a table format regarding allegations of breaches of the code of conduct.
Minute PA5	The Assistant Director – Finance to explore options for presenting additional lines of information in the Statement of Accounts.
Minute PA10	The Assistant Director Corporate Services to circulate information on recent prosecutions for fly tipping.
Minute PA10	Officers to report to members on whether PI 14a should continue to be presented as a performance indicator, and if not, how and where this information should be monitored.





# Uttlesford District Council

## Audit Committee Summary

For the year ended 31 March 2015

Audit Results Report – ISA (UK and Ireland) 260

September 2015



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Section 1

# Executive summary

# Executive summary – key findings

## **Audit results and other key matters**

The Audit Commission's Code of Audit Practice (the Code) requires us to report to those charged with governance – the Audit Committee – on the work we have carried out to discharge our statutory audit responsibilities together with any governance issues identified. This report summarises the findings from the 2014/15 audit which is substantially complete. It includes the messages arising from our audit of your financial statements and the results of the work we have undertaken to assess your arrangements to secure value for money in your use of resources.

### **Financial statements**

- ▶ As at 15 September 2015, we expect to issue an unqualified opinion on the financial statements. Our audit results demonstrate, through the few matters we have to communicate, that the Council has prepared its financial statements well.

### **Value for money**

- ▶ We have completed our work and have concluded that you have made appropriate arrangements to secure economy, efficiency and effectiveness in your use of resources.

### **Whole of Government Accounts**

- ▶ We expect to report to the National Audit Office (NAO) regarding the Whole of Government Accounts that the Council is below the specified audit threshold of £350 million.

### **Audit certificate**

- ▶ The audit certificate is issued to demonstrate that the full requirements of the Audit Commission's Code of Audit Practice have been discharged for the relevant audit year. We expect to issue the audit certificate at the same time as the audit opinion.

Section 2

# Extent and purpose of our work

# Extent and purpose of our work

## The Council's responsibilities

- ▶ The Council is responsible for preparing and publishing its Statement of Accounts, accompanied by the Annual Governance Statement. In the Annual Governance Statement, the Council reports publicly on the extent to which it complies with its own code of governance, including how it has monitored and evaluated the effectiveness of its governance arrangements in the year, and on any planned changes in the coming period.
- ▶ The Council is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

## Purpose of our work

- ▶ Our audit was designed to:
  - ▶ Express an opinion on the 2014/15 financial statements and the consistency of other information published with them
  - ▶ Report on an exception basis on the Annual Governance Statement
  - ▶ Consider and report any matters that prevent us being satisfied that the Council had put in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources (the Value for Money conclusion)
  - ▶ Discharge the powers and duties set out in the Audit Commission Act 1998 and the Code of Audit Practice

In addition, this report contains our findings related to the areas of audit emphasis and any views on significant deficiencies in internal control or the Council's accounting policies and key judgments.

As a component auditor, we also follow the NAO group instructions and report the results on completion of the WGA work through the Assurance Statement to the NAO and to the Council. The extent of our review and the nature of our report are specified by the NAO. As the Council is below the specified audit threshold of £350 million, there is no requirement for detailed work other than to submit the assurance statement to the NAO (WGA audit team) confirming the Council is below the threshold.

This report is intended solely for the information and use of the Council. It is not intended to be and should not be used by anyone other than the specified party.

Section 3

# Addressing audit risks

# Addressing audit risks – significant audit risks

We identified the following audit risks during the planning phase of our audit, and reported these to you in our Audit Plan. Here, we set out how we have gained audit assurance over those issues.

A significant audit risk in the context of the audit of the financial statements is an inherent risk with both a higher likelihood of occurrence and a higher magnitude of effect should it occur and which requires special audit consideration. For significant risks, we obtain an understanding of the entity's controls relevant to each risk and assess the design and implementation of the relevant controls.

Audit risk identified within our audit plan	Audit procedures performed	Assurance gained and issues arising
<b>Significant audit risks (including fraud risks)</b>		
<p>As identified in ISA (UK and Ireland) 240, management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records directly or indirectly and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. We identify and respond to this fraud risk on every audit engagement.</p> <p>For local authorities the potential for the incorrect classification of revenue spend as capital is a particular area where there is a risk of management override.</p>	<ul style="list-style-type: none"> <li>• We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements;</li> <li>• We reviewed accounting estimates for evidence of management bias;</li> <li>• We evaluated the business rationale for significant unusual transactions; and</li> <li>• We reviewed capital expenditure on property, plant and equipment to ensure it meets the relevant accounting requirements to be capitalised</li> </ul>	<ul style="list-style-type: none"> <li>▶ We did not identify any material misstatements, evidence of management bias or significant unusual transactions in our testing of journals and estimates.</li> <li>▶ Our testing to identify any expenditure which had been inappropriately capitalised did identify expenditure (although not material) which should have been more appropriately disclosed as revenue (housing repairs). The coding of work between capital and revenue is an area that needs continued focus and robust review</li> </ul>



Section 4

# Financial statements audit – issues and findings

# Financial statements audit – issues and findings

## Progress of our audit

- ▶ The following areas of our work programme remain to be completed as at 15 September We expect to have completed these by the date of the Audit Committee meeting and will provide an update at the meeting:
  - ▶ Receipt of a signed Letter of Representation
  - ▶ Completion of Manager and Director review procedures
- ▶ Subject to the satisfactory resolution of the above items, we propose to issue an unqualified audit report on the financial statements.

## Uncorrected misstatements

- ▶ Our audit identified a small number of errors which management have chosen not to adjust. Further details are provided in Appendix B

## Corrected misstatements

- ▶ During the course of our audit we identified a number of amendments that were needed to the accounts, including providing more detail on changes to the presentation of 2013/14 figures. These have been corrected during the course of our work and further details are provided at Appendix A.

## Other matters

- ▶ As required by ISA (UK&I) 260 and other ISAs specifying communication requirements, we are required to communicate to you significant findings from the audit and other matters that are significant to your oversight of the Authority's financial reporting process including the following:
  - ▶ Qualitative aspects of your accounting practices; estimates and disclosures;
  - ▶ Matters specifically required by other auditing standards to be communicated to those charged with governance. For example, issues about fraud, compliance with laws and regulations, external confirmations and related party transactions;
  - ▶ Any significant difficulties encountered during the audit; and
  - ▶ Other audit matters of governance interest

We have no matters we wish to report.

# Financial statements audit – application of materiality

## Our application of materiality

- ▶ When establishing our overall audit strategy, we determined a magnitude of uncorrected misstatements that we judged would be material for the financial statements as a whole.

Item	
Planning materiality and tolerable error	<p>We determined planning materiality to be £1.059 million (2014: £1.021 million), which is 2% of gross expenditure reported in the accounts of £52.99 million .</p> <p>We consider gross expenditure to be one of the principal considerations for stakeholders in assessing the financial performance of the Council.</p> <p>We set a tolerable error for the audit. Tolerable error is the application of planning materiality at the individual account or balance level. It is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds planning materiality. The level of tolerable error drives the extent of detailed audit testing required to support our opinion.</p>
Reporting threshold	We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £52950 (2014: £51050)

# Financial statements audit – application of materiality (cont.)

We also identified the following areas where misstatement at a level lower than our overall materiality level might influence the reader. For these areas we developed an audit strategy specific to these areas,. The areas identified and audit strategy applied include:

Area	Strategy applied
Remuneration disclosures, including severance payments, exit packages and termination benefits	<p>Our audit strategy was to check the bandings reported in note 15.3/5 of the financial statements, test the completeness of the disclosure and make sure that the disclosure was compliant with the Code.</p> <p>We sample checked transactions back to the payroll system and supporting documentation.</p>
Related party transactions	<p>Our audit strategy was to obtain and review declarations from senior officers and members of the Council for any material disclosures and make sure that the disclosure was compliant with the Code.</p> <p>We carried out a sample check of Companies House searches to check completeness of declarations.</p>
Members' allowances	Our audit strategy was to test the completeness of the disclosure and make sure that the disclosure was compliant with the Code by sample checking transactions back to the payroll system and the Council's Constitution.
Exit packages	Our audit strategy will be to check the disclosure and that it is in line with the Code. Also a 100% check back to payroll and supporting documentation

# Financial statements audit – internal control, written representations and whole of government accounts

## Internal control

- ▶ It is the responsibility of the Council to develop and implement systems of internal financial control and to put in place proper arrangements to monitor their adequacy and effectiveness in practice. Our responsibility as your auditor is to consider whether the Council has put adequate arrangements in place to satisfy itself that the systems of internal financial control are both adequate and effective in practice.
- ▶ We have not tested the controls of the Council as we have adopted a fully substantive approach to our audit, as we have assessed this as the most efficient approach. We are therefore not expressing an opinion on the overall effectiveness of internal control.
- ▶ We have reviewed the Annual Governance Statement and can confirm that:
  - ▶ It complies with the requirements of CIPFA/SOLACE Delivering Good Governance in Local Government Framework; and
  - ▶ It is consistent with other information that we are aware of from our audit of the financial statements.

## Request for written representations

- ▶ We have requested a management representation letter to gain management's confirmation in relation to a number of matters. We have not requested any specific representations.

## Whole of Government Accounts

- ▶ Alongside our work on the financial statements, we also review and report to the National Audit Office on your Whole of Government Accounts return. The extent of our review and the nature of our report are specified by the National Audit Office.
- ▶ As the Council is below the specified audit threshold of £350 million, there is no requirement for detailed work other than to submit the assurance statement to the NAO (WGA audit team) confirming the Council is below the threshold. We have concluded our work in this area and there are no matters to report.

**Section 5**

# **Arrangements to secure economy, efficiency and effectiveness**

# Arrangements to secure economy, efficiency and effectiveness

The Code of Audit Practice (2010) sets out our responsibility to satisfy ourselves that Uttlesford District Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. In examining the Council's corporate performance management and financial management arrangements, we have regard to the following criteria and focus specified by the Audit Commission.

## Criteria 1 – arrangements for securing financial resilience

- ▶ 'Whether the Authority has robust systems and processes to manage financial risks and opportunities effectively, and to secure a stable financial position that enables it to continue to operate for the foreseeable future'
- ▶ Since issuing our Audit Plan in March 2015, we have identified a significant risk in relation to this criteria. The significant risk is in relation to the level of reliance placed on funding from the New Homes Bonus (NHB) in the Council's medium term financial strategy (MTFS). This has also been identified as a risk in a number of other councils which receive significant levels of funding through the NHB, where this has been built into the base budget. This is clearly recognised as a risk in the Council's own MTFS.
- ▶ To address the specific risk identified we have undertaken a more detailed review of the Council's MTFS and the key assumptions within this, including the use of NHB. We have also looked at the level and planned use of reserves and the Council's track record in delivering previous budgets and savings plans. Our key findings in relation to these areas are set out on the next page of this report.
- ▶ As a result of our work, we have concluded that the Council has continued to respond well to the financial challenges it, along with other public sector bodies, is facing.
- ▶ We have therefore concluded that the Council has adequate arrangements in place for securing financial resilience.

## Criteria 2 – arrangements for securing economy, efficiency and effectiveness

- ▶ 'Whether the Authority is prioritising its resources within tighter budgets, for example by achieving cost reductions and by improving efficiency and productivity'
- ▶ We did not identify any significant risks in relation to this criteria. We have completed our work and have no issues to report.
- ▶ Our work did not identify any other matters relating to aspects of your corporate performance and financial management framework which are not covered by the scope of the two specified criteria above.

# Arrangements for securing financial resilience

As noted in our conclusion, the Council has continued to respond well to the financial challenges it is facing. The size of that challenge is however increasing and there are a number of uncertainties that could have a significant impact on the Council's future financial stability. We have set out below further details on how the Council has responded to the challenges it is facing along with our understanding of the current financial position.

## Current budget gap

- ▶ In its MTFS issued in February 2015, the Council has reported planned surpluses totalling £3.3 million over the three years from 2015/16 to 2017/18. This is a positive position compared to many other councils who are reporting some significant budget gaps. However, these surpluses are based on the assumption that the Council will continue to receive significant levels of funding via the New Homes Bonus (NHB) and that this funding will continue to be used to support ongoing revenue service spend rather than one off items.

## MTFS and key assumptions

- ▶ Within the MTFS the Council emphasised the uncertainty of government funding and especially the Council's reliance on NHB. The MTFS makes clear that in the future NHB could be reformed or potentially scrapped and models the impact of reductions in NHB of between 10% and 30%. The level of NHB assumed over the next three years of the MTFS is £12.4 million, with total growth over the period of the MTFS from £3.6 million in 2015/16 to £6.3 million in 2020/21. Any reductions in the level of NHB funding would therefore have a significant impact on the Council's financial position.
- ▶ Officers are clear that any resulting budget shortfalls would have to be met from service savings in the long term, although the Council does have reserves which could be used to meet budget gaps in the short term. The Council has continued to take steps to identify savings and income generation opportunities to address this risk.

- ▶ The Council has been prudent in its assumptions in relation to areas such as general inflation, pay awards and pensions increase. Council tax freeze grant has not been included in future years. The MTFS assumes that income from fees and charges would increase at 2% per annum, and growth assumptions have also been included in relation to business rates retention (assumed funding of £1.8m per annum).
- ▶ The Council clearly recognises the risks in relation to the uncertainty of future Government funding and in particular the NHB, and has modelled the impact of reductions in this funding as noted above.

## Reserves and balances

- ▶ At the end of 2015, the level of General Fund balances was £11.4 million. Of this £4 million is ring fenced, and a further £5.5 million is allocated for future year costs or against specific services. This leaves £0.7 million uncommitted or unallocated. This is in addition to the working balance of £1.2 million, which is in line with the minimum level recommended by the Director of Finance and Corporate Services.

## Track record in delivering previous budgets and savings

- ▶ The Council has a strong track record of delivering its budget and planned savings.
- ▶ In 2009, five work streams were established and from 2010 a small corporate team was set up to secure the savings needed by the MTFS. The work streams have been successful to date, with cumulative annual savings of around £2.7 million delivered by the end of 2014/15.
- ▶ The MTFS recognises that there is more to do. Because of the inherent volatility in the MTFS and the need for a number of key assumptions in projections, in particular the risks highlighted for the post 2016/17 period, the Council must continue efforts to identify potential savings in order to ensure it is well placed to meet future challenges.



Section 6

# Independence and audit fees

# Independence and audit fees

## Independence

- ▶ We confirm there are no changes in our assessment of independence since our confirmation in our Audit Plan 4 March 2014
- ▶ We complied with the Auditing Practices Board's Ethical Standards for Auditors and the requirements of the Audit Commission's Code and Standing Guidance. In our professional judgement the firm is independent and the objectivity of the audit engagement partner and audit staff has not been compromised within the meaning of regulatory and professional requirements.
- ▶ We confirm that we are not aware of any relationships that may affect the independence and objectivity of the firm that we are required by auditing and ethical standards to report to you.
- ▶ We consider that our independence in this context is a matter that should be reviewed by both you and ourselves. It is therefore important that you consider the facts of which you are aware and come to a view. If you wish to discuss any matters concerning our independence, we will be pleased to do so at the forthcoming meeting of the Audit Committee on 24 September 2015.

- ▶ We confirm that we have met the reporting requirements to the Audit Committee, as 'those charged with governance' under International Standards on Auditing (UK and Ireland) 260 – Communication with those charged with governance. Our communication plan to meet these requirements were set out in our Audit Plan.

## Audit fees

- ▶ The table below sets out the scale fee and our final proposed audit fees.

	Proposed final fee 2014/2015	Scale fee 2014/2015	Variation comments
	£	£	
Audit Fee: Code work	TBC	70,554	To be agreed
Certification of claims and returns	TBC	21,040	Work due to be completed in November
Non-Audit work	0	0	

- ▶ We have incurred additional audit time in reviewing changes made to the presentation of previously audited comparator figures for 2013/14 within the 2014/15 accounts.
- ▶ We will agree, in discussion with the Director of Finance, the level of addition fee required for this work.
- ▶ We confirm that we have not undertaken any non-audit work outside of the Audit Commission's Audit Code requirements.

Section 7

# Appendices

# Appendix A – corrected disclosure audit misstatements

- ▶ The following corrected disclosure misstatements, have been identified during the course of our audit and warrant communicating to you.
- ▶ These items have been corrected by management within the revised financial statements.

Item of account	Amendment
CIES	Amended for £562k that was Incorrectly netted from both income and expenditure in the HRA line of the CIES and £162k that was similarly incorrectly netted from both income and expenditure for other housing services . As a result of these errors, both income and expenditure were understated, with no overall impact on the financial position. These figures have been adjusted which brings income and expenditure in the CIES in line with the segmental reporting note.
Changes in the presentation of prior year figures	The draft accounts presented for audit included a number of changes to prior year comparator figures from the figures reported in the previous year's audited accounts. Under accounting standards, changes should only be made to previous year comparator figures where there have been changes to accounting policies or there is a correction of prior year errors, and the effect is material. None of the changes made were material and we have therefore requested that either the comparators are amended to agree to last years audited accounts or where the change is merely presentational, additional notes and disclosures are added to make the changes in presentation clear to the reader of the accounts.
Other	A small number of minor presentational issues were identified during the course of our audit. These have all been amended by the client.

# Appendix B – uncorrected disclosure audit misstatements

- ▶ The following uncorrected disclosure misstatements, have been identified during the course of our audit and warrant communicating to you.

Item of account	Amendment
Cash	Cash in transit is understated by £61.4k this is due to an historical error. Officers are currently investigating and will correct the figures during 2015/16.
Cashflow	The Council have used the CIPFA Cash Flow Model to produce the Cash Flow statement. All figures have been agreed to other areas of the financial statements, but there remains an unresolved balancing item of £124k.

**EY** | Assurance | Tax | Transactions | Advisory

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ED None

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**Committee: Performance & Audit**

**Agenda Item**

**Date: 24 September 2015**

**5**

**Title: 2014/15 Statement of Accounts**

**Author: Adrian Webb  
Director of Finance and Corporate Services**

Item for decision

## **Summary**

1. Enclosed with the agenda is the audited Statement of Accounts for 2014/15 which the Committee is now requested to approve for publication.
2. The approval of the accounts should be considered in the context of the External Auditor's findings, as set out in their report in agenda item 4.
3. The Committee reviewed the draft accounts in July. There are no adjustments to the Council's usable reserves or outturn results approved by Cabinet. The Balance Sheet Net Assets figure and the Comprehensive Income and Expenditure surplus are also unchanged.
4. As per agenda item 4, the Council has received an unqualified opinion and this is the seventh successive year that this has been achieved.
5. The key differences between the draft accounts and the audited version are as follows:
  - Comprehensive Income and Expenditure Statement (CIES) 2014/15 (page 3) – restatement of the income and expenditure within the HRA line and Other Housing Services line. These adjustments were correcting the netting of income in each line and have no bottom line impact on the statement.
  - CIES 2013/14 (page 4) – A restatement of the 2013/14 CIES now has an explanatory note to give clear information on the changes from last year's accounts. The restatements are either not material or purely presentational and there is no bottom line impact.
  - Cashflow Statement (page 6, 40, 41) – within this statement figures have been reclassified to more accurately explain the net cash movements in year.
  - Parking Partnership NEPP (page 46) – the table that related to the partnership account has been removed and the narrative amended to provide information on the management and operational functions of the partnership.
  - Other minor presentational changes have been made to the accounts and where appropriate explanatory narrative has been included.

- 
- 6. As at the time of issuing this report (17 September) the audit of the accounts was believed to be complete. It is possible that additional issues may arise before the Committee meeting, if so these will be verbally reported.
- 7. Assuming the accounts are approved by the Committee, the Chairman will be asked to sign the accounts to confirm that they have been approved. The auditor will sign the audit opinion shortly afterwards.
- 8. As is standard practice, the Council is required to issue a Letter of Representation to the External Auditor. The Committee is required to consider and approve the wording of this Letter. Accordingly, a draft letter is attached (Appendix A) to this report.
- 9. The external audit identified 2 issues that have not been amended in the 2014/15 accounts. These items and the corrective action are detailed below and in the Letter of Representation.
  - a) Cash Flow – an unresolved balance of £124k could not be identified.
  - b) Cash in transit – this is understated by £61.4k due to an historical error.

Both of the above issues will be investigated in year and resolved for the year end closedown process for 2015/16.

### Recommendations

- 10. The Committee is recommended to
  - a) approve the Letter of Representation as attached to this report.
  - b) approve the audited 2014/15 Statement of Accounts as presented with this report.

### Financial Implications

11. None.

### Background Papers

12. None.

### Impact

Communication/Consultation	Close working between the Council and the External Auditor.
Community Safety	None
Equalities	None
Health and Safety	None



Human Rights/Legal Implications	It is a legal requirement to publish the audited accounts by 30 September.
Sustainability	None
Ward-specific impacts	None
Workforce/Workplace	None

## Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Additional matters arise before the conclusion of the audit	1 (the audit is substantially complete)	2 (possible revisions and/or delays)	Close communication with the auditors Briefing of Committee members

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.

## APPENDIX A

Debbie Hanson  
Ernst & Young LLP  
One Cambridge Business Park  
Cambridge  
CB4 0WZ

15 September 2015

Your ref:  
Our ref: AW

Please ask for Adrian Webb on 01799 510421

email: [awebb@uttlesford.gov.uk](mailto:awebb@uttlesford.gov.uk)

### UTTLESFORD DISTRICT COUNCIL – 2014/15 FINANCIAL YEAR LETTER OF REPRESENTATION

This representation letter is provided in connection with your audit of the financial statements of Uttlesford DC (“the Council”) for the year ended 31 March 2015. We recognise that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion as to whether the financial statements give a true and fair view of the financial position of Uttlesford DC as at 31 March 2015 and of its expenditure and income for the year then ended in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2014/15.

We understand that the purpose of your audit of our financial statements is to express an opinion thereon and that your audit was conducted in accordance with International Standards on Auditing (UK and Ireland), which involves an examination of the accounting system, internal controls and related data to the extent you considered necessary in the circumstances, and is not designed to identify - nor necessarily be expected to disclose – all fraud, shortages, errors and other irregularities, should any exist.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves

#### A. Financial Statements and Financial Records

1. The Council has fulfilled its responsibilities, under the relevant statutory authorities, for the preparation of the financial statements in accordance with the CIPFA Code of Practice on Local Authority Accounting (CIPFA Code).
2. The Council acknowledges its responsibility for the fair presentation of the financial statements. The Council believes that the financial statements referred to above give a true and fair view of the financial position, financial performance and cash flows of the Council in accordance with the CIPFA Code and are free of material misstatements, including omissions. I have approved the financial statements.
3. The Council confirms that the Director of Finance and Corporate Services, as the Responsible Officer, has:

- Reviewed the accounts
  - Reviewed all relevant written assurances relating to the accounts
  - Made other enquiries as appropriate.
4. The Council confirms that the significant accounting policies adopted in the preparation of the financial statements are appropriately described in the financial statements.
  5. The Council believes that it has a system of internal controls adequate to enable the preparation of accurate financial statements in accordance with the CIPFA Code that are free from material misstatement, whether due to fraud or error.
  6. The Council believes that the effects of any unadjusted audit differences, summarized below, accumulated during the current audit and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The reasons that these differences identified by and brought to the attention from the auditor have not been corrected is that the amount of work necessary to investigate, confirm and correct the differences is disproportionate to their significance in terms of improving the users' understanding of the accounts. The items will be examined in 2015/16 and if deemed necessary, appropriate adjustments will be made in the 2015/16 Statement of Accounts.
    - a) Cash in transit is understated by £61.4k; this is not 'real money' it is an historic accounting adjustment within the general ledger that relates to our Allpay service where people can pay rent and council tax at the Post Office. Initial work suggests this error originated in 2009/10 and has been carried forward year on year in the reconciliations. The Allpay reconciliations have been updated and for 2015/16 reflect the true cash in transit position. The incorrect balancing figure will be adjusted in the general ledger to ensure that the carrying value of cash within the balance sheet matches to our bank (cash) position.
    - b) The CIPFA Cash Flow Toolkit was used to prepare the cash flow statement and all the figures included have been taken from our balance sheet(s) and agreed, an unresolved balance of £124k remains. This is not material to the Cash Flow Statement or the Financial Statements. In 2013/14 a similar figure (£112k) was identified. The Cash Flow Statement is a way of presenting the in and out flows of actual cash; therefore it is not possible to adjust our accounts for this statement. Work will continue on analysing the balance sheet figures and their breakdown within the toolkit to identify the balancing figures and reflect the outcomes in the 2015/16 cashflow statement.
    - c) Within the audit risk log there is reference to miscoding of housing repairs invoices to capital rather than revenue. This error is noted and appropriate training will be arranged for the relevant officers.

## **B. Fraud**

1. The Council acknowledges that it is responsible for the design, implementation and maintenance of internal controls to prevent and detect fraud.
2. The Council has disclosed to you the results of its assessment of the risk that the financial statements may be materially misstated as a result of fraud.
3. The Council has no knowledge of any fraud or suspected fraud involving management or other employees who have a significant role in the Councils internal controls over financial reporting. In addition, the Council has no knowledge of any fraud or suspected fraud involving other employees in which the fraud could have a material effect on the financial statements. The Council has no knowledge of any allegations of financial improprieties,

including fraud or suspected fraud, (regardless of the source or form and including without limitation, any allegations by “whistleblowers”) which could result in a misstatement of the financial statements or otherwise affect the financial reporting of the Council.

### **C. Compliance with Laws and Regulations**

1. The Council has disclosed to you all known actual or suspected noncompliance with laws and regulations whose effects should be considered when preparing the financial statements.

### **D. Information Provided and Completeness of Information and Transactions**

1. The Council has provided you with:
  - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters as agreed in terms of the audit engagement.
  - Additional information that you have requested from us for the purpose of the audit
  - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. The Council confirms that all material transactions have been recorded in the accounting records and are reflected in the financial statements.
3. The Council has made available to you all minutes of the meetings of the Council and its relevant committees (or summaries of actions of recent meetings for which minutes have not yet been prepared) held through the year to the most recent meeting on the following date: 10 September 2015.
4. The Council confirms the completeness of information provided regarding the identification of related parties. The Council has disclosed to you the identity of the Council related parties and all related party relationships and transactions of which we are aware, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements, guarantees, non-monetary transactions and transactions for no consideration for the period ended, as well as related balances due to or from such parties at the year end. These transactions have been appropriately accounted for and disclosed in the financial statements.
5. The Council has disclosed to you, and the Council has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.

### **E. Liabilities and Contingencies**

1. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
2. The Council has informed you of all outstanding and possible litigation and claims, whether or not they have been discussed with legal counsel.
3. The Council has recorded and/or disclosed, as appropriate, all liabilities related litigation and claims, both actual and contingent, and have disclosed in the financial statements all guarantees that you have given to third parties.

## **F. Subsequent Events**

1. The Council confirms that other than described in the financial statements, there have been no events subsequent to period end which require adjustment of or disclosure in the financial statements or notes thereto.

## **G. Accounting Estimates**

1. The Council believes that the significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
2. In respect of accounting estimates recognised or disclosed in the financial statements:
  - The Council believes the measurement processes, including related assumptions and models, we used in determining accounting estimates is appropriate and the application of these processes is consistent.
  - That the disclosures relating to accounting estimates are complete and appropriate in accordance with the applicable financial reporting framework.
  - That the assumptions we used in making accounting estimates appropriately reflects our intent and ability to carry out specific courses of action on behalf of the entity, where relevant to the accounting estimates and disclosures.
  - That no subsequent event requires an adjustment to the accounting estimates and disclosures included in the financial statements.

## **H. Retirement benefits**

On the basis of the process established by us and having made appropriate enquiries, we are satisfied that the actuarial assumptions underlying the scheme liabilities are consistent with our knowledge of the business. All significant retirement benefits and all settlements and curtailments have been identified and properly accounted for.

## **I. Specific Representations**

None.

Yours sincerely



Adrian Webb

Director of Finance and Corporate Services



**Committee:** Performance and Audit

**Agenda Item**

**Date:** 24 September 2015

**6**

**Title:** Quarter 1 Performance 2015/16

**Author:** Richard Auty, Assistant Director Corporate Services

Item for information

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### Summary

1. This report presents the Q1 results for all quarterly-reported Key Performance Indicators and Performance Indicators.

### Recommendations

2. None

### Financial Implications

3. None. There are no costs associated with this report.

### Background Papers

4. None

### Impact

- 5.

Communication/Consultation	None
Community Safety	None
Equalities	None beyond service improvement on the equality and diversity performance indicators
Health and Safety	None beyond service improvement on the health and safety performance indicators
Human Rights/Legal Implications	None
Sustainability	None
Ward-specific impacts	None
Workforce/Workplace	None

## Situation

6. Attached as Appendix A are the Key Performance Indicators (KPIs) and Performance Indicators (PIs) for Quarter 1 of 2015/16 (1 April to 30 June).
7. The KPIs have for the most part performed well, with 11 of the 16 indicators meeting or exceeding target. Only three indicators were 10 per cent or more off target. They are:
8. KPI 03 – the explanatory note sets out the particular reason for this temporary underperformance.
9. KPI 08 – the target for 2015/16 has been made considerably more challenging. The explanatory note sets out the current difficulties.
10. KPI 14 – the successful collection rate is 99.8 per cent. the Director of Public Services has provided the following additional commentary: Reports of missed bins have escalated in the last quarter. The underlying cause of this is unplanned levels of staff absence and an inability to source agency staff to backfill, in particular Large Commercial Vehicle (LCV) drivers. Because of resulting work pressures it has not been possible to investigate the reports to distinguish those bins that were not collected because of contamination, for example, from others, but the disruption to normal service and ad hoc arrangements to catch up will inevitably resulted in additional bins being missed.

## Risk Analysis

11.

Risk	Likelihood	Impact	Mitigating actions
That performance indicators will not meet quarterly/ annual targets	2 – The majority of Performance Indicators perform on or above target	3 – In some areas the risk of not meeting targets could impact on areas such as customer satisfaction and statutory adherence to government led requirements	Performance is monitored by CMT and the committee on a quarterly basis.  Inclusion of five quarters of data helps identify trends.

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

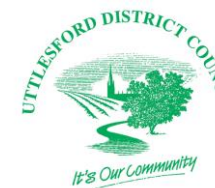
3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.



# 2015/16 Quarter 1 KPI & PI Data Report

Report Author: Tülay Norton  
Generated on: 27 July 2015



PI Status	
	This PI is more than 10% below target.
	This PI is between 0.01 and 10% below target.
	This PI is on target.


























Example indicator	
50%	This is the latest result
	This is the status
50%	This is the target.



\* Cumulatively monitored  
# Quarterly targets for these indicators have been profiled

## Key Performance Indicators











### Directorate Corporate Services































PI Code & Short Name	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15	Q1 2015/16	Latest Note
KPI 01 % of supplier invoices paid within 30 days of receipt by the Council (Max)	95.56%	94.44%	95.56%	95.56%	100.00%	<b>Q1 2015/16 Numerator: 180 Denominator: 180 = 100%.</b> Performance sampling criteria continued during this quarter, with results showing improved number of invoices paid against target. 100% of invoices were paid within 30 days, (96% prior quarter), however there were almost 15% fewer invoices received /processed. 96% of invoices were paid within 20 days.
	95.00%	95.00%	95.00%	95.00%	96.00%	

PI Code & Short Name	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15	Q1 2015/16	Latest Note
KPI 03 Percentage of Non-domestic Rates Collected (Max) *	29.72%	58.34%	86.76%	99.44%	25.70%	<b>Q1 2015/16 Numerator:</b> 11,174,380.28 <b>Denominator:</b> 43,474,461.67 = <b>25.70%</b> . Collection rate is down in this quarter. This is due to two of the biggest ratepayers in the district (Stansted airport and Diamond Hangar) having had a split in their rateable value assessment which has pushed their first payment instalment to July 2015 this has skewed the collection rate but by the end of quarter four this will have righted itself.
						
	29.00%	56.00%	88.00%	98.00%	29.00%	
KPI 04 Accuracy of processing - HB/CTB claims (Max)	98.91%	99.38%	98.57%	98.58%	99.78%	<b>Q1 2015/16</b> 464 claims checked. 1 Financial error identified giving an accuracy rate of <b>99.78%</b> .
						
KPI 05 % of Council Tax collected (Max) *	30.32%	58.51%	86.95%	98.86%	30.33%	<b>Q1 2015/16 Numerator:</b> 15,614,406.06 <b>Denominator:</b> 51,488,608.60 = <b>30.33%</b> . Collection rate is slightly up in this quarter compare to last year's good performance.
						
	29.00%	57.00%	87.00%	98.00%	29.00%	
KPI 06a Time taken to process Housing Benefit/Council Tax Benefit new claims (Min)	21.6	24.0	21.8	22.2	21.4	<b>Q1 2015/16</b> This quarter there were 152 Housing Benefit new claims taking 3,021 days to process. There were also 209 new claims to Local Council Tax Support taking 4,709 days to process. This is a total of 361 new claims taking a total of 7730 days; a rounded average time to process of 21.4 days.
						
	22.0	22.0	22.0	22.0	24.0	
KPI 06b Time taken to process Housing Benefit/Council Tax Benefit change events (Min)	6.8	6.3	6.5	7.1	8.7	<b>Q1 2015/16</b> This quarter there were 3,671 Housing Benefit changes of circumstance taking a total of 35,549 days. There were also 3,874 Local Council Tax Support changes of circumstance taking 30,332 days. The total is 7,545 changes of circumstance taking a total of 65,881 days; a rounded average of 8.7 days. The reason for the increase in the average number of days taken to process changes of circumstance is due to the DWP Real Time Information Project. Additional time and resource requirements are required to enable the department to process these complex changes. The department has also been carrying a vacant post during part of Q1. Staff have been working overtime in an attempt to keep on top of the workload but there has still been a temporary shortfall in resource.
						
	8.0	8.0	8.0	8.0	8.0	

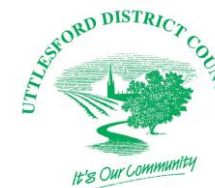
PI Code & Short Name	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15	Q1 2015/16	Latest Note
KPI 07a Average number of days lost per employee through short-term sickness absence (Min)	New KPI for 2015/16				0.84	<b>Q1 2015/16 Numerator:</b> 288.5 <b>Denominator:</b> 345 = 0.84 days lost due to sickness for this quarter.
						
					1.75	
KPI 07b Average number of days lost per employee through long-term sickness absence (Min)	New KPI for 2015/16				0.00	<b>Q1 2015/16</b> Currently no long term sickness.
						
					45.00	

**Directorate** Public Services

PI Code & Short Name	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15	Q1 2015/16	Latest Note
KPI 08 (GNPI 36) Average re-let time in days (General Needs only)	18	16	12	18	19	<b>Q1 2015/16 Numerator:</b> 278 <b>Denominator:</b> 15. The new target for 2015/16 has not been met during Q1. A more challenging target was set for this year as void turnaround times had improved during the previous year through process reviews and closer management of the process. However, due to the majority of voids being difficult to predict (high levels are caused through death or tenants absconding) managing turn-around times has proven to be difficult this quarter due to the physical number of voids and the subsequent works required on properties during the void period; an unusually high percentage of voids have required major works. Further work on improving the process continues by progressing joined up working throughout the service.
						
	18	18	18	18	12	
KPI 09 Number of accidents that are reportable under RIDDOR (Min)	4	0	1	1	0	<b>Q1 2015/16</b> No RIDDOR accidents this quarter, trend over last 2 years shows a decline in these reports which is good news.
						
	0	0	0	0	0	

PI Code & Short Name	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15	Q1 2015/16	Latest Note
KPI 11 Processing of planning applications: Major applications (within 13 weeks) (Max)	76.92%	66.67%	52.94%	80.00%	91.67%	<b>Q1 2015/16 Numerator:</b> 11 <b>Denominator:</b> 12 = 91.67 %. Target exceeded.
						
	60.00%	60.00%	60.00%	60.00%	60.00%	
KPI 12 Processing of planning applications: Minor applications (within 8 weeks) (Max)	83.33%	81.25%	87.74%	83.75%	83.53%	<b>Q1 2015/16 Numerator:</b> 71 <b>Denominator:</b> 85 = 83.53%. Target achieved.
						
	80.00%	80.00%	80.00%	80.00%	80.00%	
KPI 13 Processing of planning applications: Other applications (within 8 weeks) (Max)	90.14%	89.93%	94.60%	93.75%	91.30%	<b>Q1 2015/16 Numerator:</b> 252 <b>Denominator:</b> 276 = 91.30%. Target exceeded.
						
	82.00%	82.00%	82.00%	82.00%	82.00%	
KPI 14 Percentage of household waste sent for reuse, recycling and composting (LAA) (Max)	51.40%	55.10%	51.48%	49.93%	52.78%	<b>Q1 2015/16 Numerator:</b> 3919 tonnes (recycled and composted) <b>Denominator:</b> 7424 tonnes (total domestic waste arising). It is anticipated that contamination levels declared by the MRF will improve following the move from Bywaters to Viridor resulting in an improvement in results. Increasing fly tipping also contributes to the reduction in recycling. A similar trend has been noticed by other Essex Authorities. The increase in the subscribers to the kerbside garden waste collection scheme that we have seen in 2015 so far should increase the composting rate this year.
						
	55.02%	58.01%	53.88%	51.05%	52.96%	
KPI 15 Number of return visits (within 2 working days) to collect bins that have been missed on the first visit (per 100,000 collections) (Min)	98	128	79	118	177	<b>Q1 2015/16 Numerator:</b> 1,654 (missed bins) <b>Denominator:</b> 936,000 (collections) x 100,000 = 177. Although sickness levels were very low for this quarter, open vacancies resulted in use of a high level of agency staff. The number of missed bins in April was particularly high for garden waste as routes were changed to accommodate new subscribers this year. (However, the collection rate for the quarter was still 99.8%).
						
	40	40	40	40	40	
KPI 16 Rent collected as percentage of rent owed (including arrears b/f) (Max) *	89.50%	93.36%	95.58%	96.60%	90.21%	<b>Q1 2015/16 Numerator:</b> £3,873,323.12 <b>Denominator:</b> £4,293,519.76 (90.21%). This KPI remains on target.
						
	88.50%	93.55%	94.55%	96.50%	88.50%	

## Performance Indicators



### Directorate Chief Executive

PI Code & Short Name	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15	Q1 2015/16	Latest Note
PI 06 % of standard searches carried out in 10 working days (Max)	100%	99.59%	99.68%	100%	100%	<b>Q1 2015/16 Numerator:</b> 286 <b>Denominator:</b> 286. Team working well, performance maintained.
	100%	100%	100%	100%	100%	
PI 21 % of minutes from meetings made available to the public within 10 working days (Max)	100%	95%	96%	100%	94%	<b>Q1 2015/16 Numerator:</b> 15 <b>Denominator:</b> 16 = <b>94%</b> . Democratic Services team were at full stretch during the run up to the combined polls in May 2015 and production of minutes on one occasion was delayed until after the target of 10 working days.
	95%	95%	95%	95%	95%	
PI 39 Number of written customer complaints against leisure centre usage (Min)	3	0	1	1	2	<b>Q1 2015/16</b> Both complaints have been resolved by 1Life.
	2	2	2	2	2	































### Directorate Corporate Services







PI Code & Short Name	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15	Q1 2015/16	Latest Note
PI 02 Average time to pay supplier invoices (Min)	15.8	14.4	13.9	13.4	11.5	<b>Q1 2015/16 Numerator:</b> 2,065 <b>Denominator:</b> 180 = 11.5. The trend over the last five quarters continues, showing performance returning to 2013/14 levels (Q1 2013/14 was 11.5).
	12.0	12.0	12.0	12.0	12.0	

PI Code & Short Name	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15	Q1 2015/16	Latest Note
PI 03 % of sundry debt income overdue (debts over 90 days old not subject to a payment agreement) (Min)	10.3%	4.1%	4.5%	0.8%	0.3%	<b>Q1 2015/16</b> As at 1 July 2015, total outstanding sundry debt was £731,235.51 of which £2040.60 was over 90 days old and not subject to a payment agreement. 0.3%.
PI 20 % of IT help Desk calls resolved within target (Max)	5.0%	5.0%	5.0%	5.0%	4.5%	<b>Q1 2015/16</b> 1,806 calls 1,758 done within SLA
	93.34%	98.88%	97.42%	96.05%	97.34%	
PI 22 Museum users: Total visitors to the museum building and on-site events (Max) #	90.00%	90.00%	90.00%	90.00%	93.00%	<b>Q1 2015/16</b> Visitor numbers 45% over target due to exceptional combination of May events on site with fine weather and grant-aid for Waterloo living history event.
	3,900	4,205	3,095	3,232	4,925	
	3,200	4,000	3,300	3,500	3,400	

### Directorate Public Services

PI Code & Short Name	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15	Q1 2015/16	Latest Note
PI 14a Homelessness: Number of people presenting as homeless (Min)	30	30	29	23	26	<b>Q1 2015/16</b> Homeless figures remain reasonably consistent, this quarter they are up slightly on the last quarter. There continues to be a lack of affordable housing options for clients which means that despite ongoing prevention work many still have little choice but to present as homeless.
PI 14b The number of cases where positive intervention by the Council has prevented homelessness	25	25	25	25	25	<b>Q1 2015/16</b> 5 prevented and 1 relieved. The level of complex cases remains very high and therefore the problems from the previous quarter continue. This is a disappointing figure for the quarter.
	14	9	11	11	6	
PI 16 Number of households living in temporary accommodation (CI 19 & NI 156) (Min)	35	35	35	35	25	<b>Q1 2015/16</b> Council owned and shared accommodation = 18 cases. Emergency B&B placements = 1. We are confident that temporary accommodation is being managed most effectively.
	26	13	16	20	19	
	15	15	15	15	17	

PI Code & Short Name	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15	Q1 2015/16	Latest Note
PI 17 Number of service users who are supported to establish and maintain independent living	1,205	1,211	1,213	1,221	1,213	<b>Q1 2015/16</b> Current sheltered tenant number is 385. This will continue to decline in the short term as Reynolds court is being rebuilt and we are re-housing many tenants. There are 30 flats of which 17 are currently occupied. Also Barkers mead, Pulford Place are becoming general needs when a property becomes vacant and this will reduce stock further. Lifeline users are 828 which is a slight decline on the previous quarter. We continually try to promote the service but there are many barriers that stop us increasing numbers. This is continually worked on.
						
	1,300	1,300	1,300	1,300	1,250	
PI 19 Percentage of accidents that are investigated within 10 working days of the accident (Max)	100%	100%	93%	93%	100%	<b>Q1 2015/16</b> No late reports this quarter, new procedures with Street Services and Housing, including tool box talks and coaching to supervisors has helped this position.
						
	100%	100%	100%	100%	100%	
PI 24a Planning appeals allowed for major applications (Min)	33.3%	50.0%	.0%	.0%	25.0%	<b>Q1 2015/16 Numerator: 1 Denominator: 4 = 25%. Target Achieved.</b>
						
	30.0%	30.0%	30.0%	30.0%	30.0%	
PI 24b Planning appeals allowed for minor applications (Min)	11.1%	7.7%	20.0%	6.3%	33.0%	<b>Q1 2015/16 Numerator: 1 Denominator: 3 = 33%. Target Achieved.</b>
						
	45.0%	45.0%	45.0%	45.0%	45.0%	
PI 24c Planning appeals allowed for other applications (Min)	40.0%	25.0%	.0%	.0%	.0%	<b>Q1 2015/16 Numerator: 0 Denominator: 3 = 0%. Target Achieved.</b>
						
	45.0%	45.0%	45.0%	45.0%	45.0%	
PI 24d Appeals allowed for enforcement notices (Min)	.0%	100.0%	100.0%	.0%	.0%	<b>Q1 2015/16</b> No appeals to date.
						
	30.0%	30.0%	30.0%	30.0%	30.0%	

PI Code & Short Name	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15	Q1 2015/16	Latest Note
PI 30 % planning applications validated within 5 days (Max)	100%	100%	98%	98%	99%	<b>Q1 2015/16 Numerator: 519 Denominator: 522 = 99%.</b>
						
	90%	90%	90%	90%	90%	
PI 40 Number of subscribers to garden waste collection service (Max)	New PI 2015/16				5,100	<b>Q1 2015/16</b> 5100 at the end of June 2015.
						
					5,050	



**Committee:** Performance and Audit

**Agenda Item**

**Date:** 24 September 2015

**7**

**Title:** Quarter 1 Corporate Risk Register 2014/15

**Author:** Richard Auty, Assistant Director Corporate Services

Item for information

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## Summary

1. This report presents the Corporate Risk Register as at the end of quarter 1 2014/15.

## Recommendations

2. None

## Financial Implications

3. There are no financial implications associated with this report.

## Background Papers

4. None

## Impact

- 5.

Communication/Consultation	The Risk Register is discussed and updated by the Corporate Management Team at least quarterly.
Community Safety	None
Equalities	None
Health and Safety	None
Human Rights/Legal Implications	None
Sustainability	None
Ward-specific impacts	None
Workforce/Workplace	None

## Situation

6. This is the council's new Corporate Risk Register as approved by Full Council in February alongside the Corporate Plan. It continues the approach of identifying the key risks associated with delivering the council's main strategic objectives.
7. This new register was first presented to the committee in July, along with an explanation of the Council's approach to risk management.
8. Since this register was reviewed by the Corporate Management Team at the end of Quarter 1, it has been further amended with the addition of a new risk concerning the current refugee crisis.

## Risk Analysis

9.

Risk	Likelihood	Impact	Mitigating actions
That the council does not effectively monitor the risks it faces in delivering its corporate aims and objectives	1 – The register was created, and regularly monitored, by the Corporate Management Team	3 – If mitigating actions are not identified and acted upon, then there could be serious consequences for the delivery of services	Each corporate action and associated risk is owned by a member of the Corporate Management Team. Colleagues provide challenge and discussion regularly to ensure steps are being taken to reduce the likelihood and/or impact of those risks.

1 = Little or no risk or impact

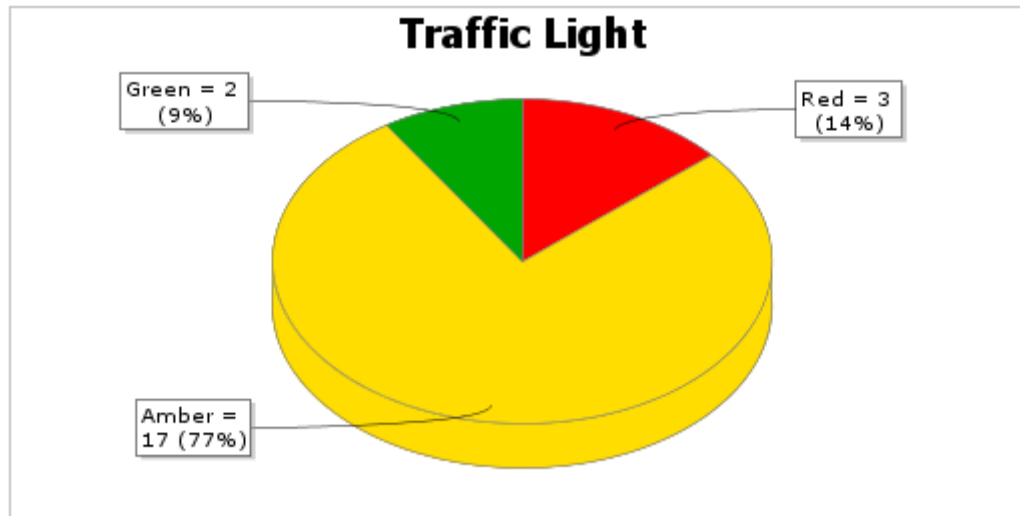
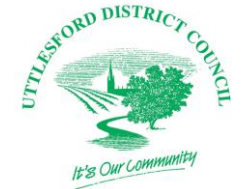
2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required




4 = Near certainty of risk occurring, catastrophic effect or failure of project.




# Corporate & Strategic Risk Register 2015-16 Quarter 1





**Report Type:** Risks Report  
**Report Author:** Tülay Norton  
**Generated on:** 15 September 2015










Risk Code & Title	Risk Description	Original Risk Impact	Original Risk Likelihood	Current Impact	Current Likelihood	Current Risk Score	Current Risk Traffic Light Icon	Target Risk Impact	Target Risk Likelihood	Latest Note	Mitigating Actions	Managed By
15-CR 01 Insufficient progress against savings	The council does not make sufficient progress against savings targets identified in the MTFS to achieve the necessary savings.	2	1	1	1	1	🟢	3	1	There are no savings targets identified in the current MTFS. Savings targets, if any, will be decided following the Autumn Spending Review	A Corporate Team was established in 2010. Savings to date exceed £2.5m. The team addresses quality issues as well as trying to achieve savings.	Adrian Webb

Risk Code & Title	Risk Description	Original Risk Impact	Original Risk Likelihood	Current Impact	Current Likelihood	Current Risk Score	Current Risk Traffic Light Icon	Target Risk Impact	Target Risk Likelihood	Latest Note	Mitigating Actions	Managed By
15-CR 02 External factors impact negatively on Council's finances	External factors, such as the reforms to local government finance, negatively impact on Council's finances	2	3	2	2	4		2	3	Recent budget affects the HRA and has a negative but manageable impact on the service. Autumn Spending Review will outline changes to funding of the General Fund	Work with local and government to understand and implement post general election changes to core external funding such as New Homes Bonus and Business Rates Retention	Adrian Webb
15-CR 03 Decisions made by the LSP do not inform Council Policy	The Council staffs and hosts the LSP but decisions made by the LSP do not inform Council Policy	3	3	3	2	6		2	2	LSP board has been dissolved and the chairs of the 4 work streams meet to ensure there is no duplication. Each work stream has officer support and Member support is being considered. Further refinement may be anticipated.	Review the effectiveness and value for money of our engagement with partners, the voluntary sector and the community. Continue to review the working of the LSP to ensure it meets the needs of the council, its partners and the community rather than just itself. Ensure that LSP matters are championed by Cabinet members so that the Council determines the LSP agenda and takes responsibility for outcomes	John Mitchell
15-CR 04 Local Plan	Failure to meet objectively assessed housing need and identify suitable deliverable sites	3	2	3	2	6		3	2	Publication of new SHMA still awaited.	Complete SHMA, carry out Duty to Cooperate process with authorities across the housing market area, neighbouring councils and strategic bodies and issue new call for sites. New member working group established to steer process.	Roger Harborough




Risk Code & Title	Risk Description	Original Risk Impact	Original Risk Likelihood	Current Impact	Current Likelihood	Current Risk Score	Current Risk Traffic Light Icon	Target Risk Impact	Target Risk Likelihood	Latest Note	Mitigating Actions	Managed By
15-CR 05 External contracts	Contracts with third parties do not benefit the Council & Community financially	3	2	3	2	6		3	1	Parent company guarantee for one major contract recently awarded being pursued through execution of a bond	Robust evaluation of contract bids. Once new contracts in place, proactive monitoring of contracts to ensure appropriate implementation	Roger Harborough
15-CR 06 The Council does not demonstrate how consultation responses have been taken into account	The Council does not demonstrate how consultation responses have been taken into account when formulating policy	3	3	3	2	6		3	1	A working group has been set up under the umbrella of the Constitution Working Group to report back on this by the new year. It can be supported by the project team if required. Improvements in communicating the local plan progress have been noted	A project team of Senior Managers has worked on this and will arrange a Members' workshop when the new Council is elected, with a view to rationalising consultation exercises to gain the maximum benefit	John Mitchell
15-CR 07 Failure to embed sound Equality & Diversity, H&S & Corporate Governance principles	Failure to embed sound equality & diversity, health & safety and corporate governance principles throughout the authority, which would make it difficult to then promote these ideals to the community	3	1	3	1	3		3	1	The Council is developing its action plan on the single equality duty in partnership with SCambs DC. Training for new and existing parish, town and district members on the code of conduct is taking place and extensive information on health and safety is set out on the Council's intranet which is linked to targeted training	The Health & Safety officer previously shared with Harlow DC is now a full-time UDC employee. Regular training and updates are given to all relevant staff and the Council continues its partnership arrangements with South Cambs DC regarding equality and diversity	John Mitchell


Risk Code & Title	Risk Description	Original Risk Impact	Original Risk Likelihood	Current Impact	Current Likelihood	Current Risk Score	Current Risk Traffic Light Icon	Target Risk Impact	Target Risk Likelihood	Latest Note	Mitigating Actions	Managed By
15-CR 08 Little money available for Highways improvements	Highways Panel unable to deliver expectations owing to ECC financial constraints	2	3	2	3	6		2	3	The Highways Panel received a progress report on approved schemes and reviewed the prioritisation of potential schemes for 2015-16 at its June meeting	Targeted improvements in district due to local member involvement in Highways Panel/Locality Board	Roger Harborough
15-CR 09 Inability to implement the economic strategy	Inability to implement the economic strategy which could lead to a failure to support existing businesses and attract new investment	3	1	3	2	6		3	1	Workplace study received. Action plan to be determined. Parking study received. Consultations before finalisation. Way forward for high speed broadband still being explored.	Implement the economic strategy in conjunction with local business representatives, West Essex partners and allocate budget to support this work	Roger Harborough
15-CR 10 Adverse impact from reform of council tax benefits	The reform of council tax benefits will adversely impact some people currently in receipt of benefits	2	2	2	2	4		2	2	July budget has reduced benefit entitlement which may have a negative but manageable impact on the council LCTS scheme	Resource and implement the Council's annual Local Council Tax Support Policy	Adrian Webb
15-CR 11 Partner organisations unable to provide sufficient resources	Partner organisations unable to provide sufficient resources in times of austerity to implement new strategies	3	4	2	4	8		3	2	The Council is adapting to running partnerships with fewer expectations of directly provided outcomes.	New arrangements with partner authorities will need to be increasingly challenged and focused on prioritised needs and value for money	John Mitchell

Risk Code & Title	Risk Description	Original Risk Impact	Original Risk Likelihood	Current Impact	Current Likelihood	Current Risk Score	Current Risk Traffic Light Icon	Target Risk Impact	Target Risk Likelihood	Latest Note	Mitigating Actions	Managed By
15-CR 12 Range of services provided by the Council is too broad	Range of services provided by the Council is too broad to allow necessary focus	4	4	4	4	16		4	2	The principle threat to the Council is the combined impacts of devolution, the autumn spending review and addressing traditionally low pay. The Council struggles to retain and recruit key staff	As resources diminish the Council will need to regularly review its' priorities and its' form and function as a provider of commissioner services	John Mitchell
15-CR 13 Shared service delivery model	Partner organisations unable or unwilling to sign-up to shared service delivery model	2	3	2	2	4		2	2	ECC have vacated top floor of main UDC building. Discussions with potential partners for use of other assets ongoing	Continue to work with those organisations who already share UDC assets i.e. ECC. Parish Councils and voluntary sector	Adrian Webb
15-CR 14 Neighbourhood plans	Local communities do not have adequate resources to develop neighbourhood plans	2	3	2	2	4		2	2	Resource contracted to support communities neighbourhood plan work.	Strategic Initiative Fund allocation to fund resources to support communities in preparing plans and getting them adopted	Roger Harborough
15-CR 15 Eco programme deadlines cannot be met and grant funding becomes unavailable	Changes to government eco programme mean deadlines cannot be met and grant funding becomes unavailable	3	3	3	3	9		3	3	EWI programme needs to be reviewed in the light of government policy on rent reduction as part of comprehensive re-assessment of the HRA Business Plan, which is in hand.	Pursue external funding opportunities for external wall insulation programme; smart procurement	Roger Harborough

Risk Code & Title	Risk Description	Original Risk Impact	Original Risk Likelihood	Current Impact	Current Likelihood	Current Risk Score	Current Risk Traffic Light Icon	Target Risk Impact	Target Risk Likelihood	Latest Note	Mitigating Actions	Managed By
15-CR 16 Potential breaches of planning control	Council is not made aware of potential breaches of planning control	2	2	2	2	4		2	1	In the last quarter the Enforcement team has commenced 142 new enforcement investigations. 5 enforcement notices have been served and there was a successful prosecution for breach of an enforcement notice in respect of airport related parking where a fine of £17500 was imposed and costs of £2845 were awarded	Parish councils act as an important communications channel for reporting potential breaches, and this function is encouraged	Michael Perry
15-CR 17 Improving heritage assets	Aspirations outstrip available resources to improve heritage assets	2	3	2	3	6		2	3	New focus on buildings at risk in Directorate and Service plan for 2015-16	Pursue external funding opportunities	Roger Harborough
15-CR 18 Partners' agendas (for economic prosperity) are not aligned	All partners' agendas (for economic prosperity) are not aligned and what is delivered for the wider area is not in the best interest of the Uttlesford district	2	2	2	2	4		2	2	Economic Plan for Essex close to being finalised. Will inform Essex Combined Authority bid to government.	Engage strongly in LSCC, West Essex Alliance (and through West Essex Alliance seek to influence the Greater Essex Business Board and SELEP), GCGP LEP and Essex Integrated Growth Forum to promote Uttlesford's interests	Roger Harborough



Risk Code & Title	Risk Description	Original Risk Impact	Original Risk Likelihood	Current Impact	Current Likelihood	Current Risk Score	Current Risk Traffic Light Icon	Target Risk Impact	Target Risk Likelihood	Latest Note	Mitigating Actions	Managed By
15-CR 19 Aspirations of airport owners conflict with the council's views	Aspirations of airport owners conflict with the council's views on appropriate development and with community interests	3	3	3	1	3		3	2	Davies Commission final recommendations to not include additional runway capacity at Stansted. Government commitment to take decision on recommendations by the end of the year.	Seek to influence the airports policy of the new Government informed by the Davies Commission final report recommendations. Work with the airport owners to agree environmental impact mitigation measures, particularly the surface access strategy	Roger Harborough
15-SR 01 Disruption of Council business	Disruption of council business caused by: loss of building, widespread staff absence, extreme weather conditions	3	2	3	2	6		3	2	Assistant Director Corporate Services has volunteered to develop new business continuity plan templates and is working with the Emergency Planning officer for Epping Forest DC on this project	Ensure that emergency plans are in place to provide frontline services. Maintain regular engagement in emergency planning activities, close liaison with county council and regular communication with residents.  Ensure relevant HR policies are in place and understood	Michael Perry
15-SR 02 Major emergency at the airport	Major emergency at the airport e.g. due to plane crash, terrorism etc.	2	1	2	1	2		2	1	A joint emergency planning exercise with Stansted Airport is scheduled for November	Ensure that emergency plans are in place and that there is regular liaison with airport operator and engagement in emergency planning activities	Michael Perry

Risk Code & Title	Risk Description	Original Risk Impact	Original Risk Likelihood	Current Impact	Current Likelihood	Current Risk Score	Current Risk Traffic Light Icon	Target Risk Impact	Target Risk Likelihood	Latest Note	Mitigating Actions	Managed By
15-SR 03 Refugee crisis	Public expectation that the council will be sole provider of accommodation for refugees. Risk of insufficient accommodation or displacement of people on housing waiting list.	2	2	2	2	4		1	2	Council to meet to agree position and establish Cabinet Working Group 16/9/15. Government position still evolving.	Council will work with other agencies to coordinate community response.	John Mitchell