

Appendix B

Terms of Reference

Title of review: Waste Transfer Building

Department: Chief Executive

Service:

Date: 13/02/12

Status: Final

Background to proposed review

Works associated with the construction and operation of a Waste Transfer Station at Lyme Green Highways Depot and the related, partially retrospective, planning application has attracted significant public and member interest together with adverse publicity.

It is, therefore, necessary to determine whether there are any significant internal control, risk management or governance issues that have given rise to the situation, and to provide public assurance that these issues have been, or are being addressed.

Objective of review

To provide an independent and objective opinion to the organisation on management's compliance with established policies, procedures, laws and regulations particularly with regard to the use of assets and resources entrusted to it.

Identified risks

Adequate control has not been maintained resulting in financial and operational failure.

Controls are designed to provide 'reasonable assurance' not certainty. Systems are susceptible to:

Human error and poor judgement

Collusion to circumvent controls

Senior management being able to override controls

Scope of review

Review, appraisal and reporting of the adequacy of the systems of managerial, financial and operational control and their effectiveness in practice, including:

The relevance of established policies, plans and procedures, the extent of compliance with these, and the financial impact (the extent to which assets are accounted for and safeguarded from losses of all kinds)

The appropriateness of organisational, personnel and supervision arrangements

Auditors cannot be expected to review, appraise and assess managerial and professional decisions in fields of activity outside their direct sphere of competence – including certain planning, construction, contaminated land and waste management aspects. If the Council requires independent review in these areas, the services of other review agencies with appropriate qualifications and experience should be employed.

Approach to the review & deliverables

Review available documentation

Interview appropriate staff members

Report issued to Chief Executive which will form the basis of a report to the Audit and Governance Committee.

The deadline for the draft report is 22 Feb 2012

The next Audit & Governance Committee is 27 March 2012

Timing of the review & days available

See above re deliverables.

Audit Manager: Jon Robinson

Lead Auditor: