

ITEM 10

NORTH YORKSHIRE COUNTY COUNCIL

AUDIT COMMITTEE

29 September 2011

PROGRESS ON ISSUES RAISED BY THE COMMITTEE

Joint Report of the Corporate Director – Finance and Central Services and the Assistant Chief Executive (Legal and Democratic Services)

1.0 PURPOSE OF THE REPORT

1.1 To advise Members of

- (i) progress on issues which the Committee has raised at previous meetings
- (ii) other matters that have arisen since the last meeting and that relate to the work of the Committee

2.0 BACKGROUND

2.1 This report is submitted to each meeting listing the Committee's previous Resolutions when it requested further information to be submitted to future meetings. Accordingly, the current list of outstanding items is set out below:-

Date	Minute number and subject	Audit Committee Resolution	Comment
03/03/2011	119 – Progress on Issues Raised by the Committee.	(b) That the Committee's debate concerning Treasury Management , as recorded in the preamble to this Minute, be provided as the Committee's observations concerning the updated Annual Treasury Management Strategy for 2011/12 and associated Prudential Indicators considered by the Executive and the County Council during February 2011.	The Committee's minute was reported to the Executive on the 23 August 2011 as part of the Q1 report. (See also paragraph 3 below) See paragraph 9.56 et seq thereof for reference to this Committee's minute.

Date	Minute number and subject	Audit Committee Resolution	Comment
03/03/2011	119 – Progress on Issues Raised by the Committee.	(g) That arrangements be made for Committee Members to have access to an on-line library of resources .	All Members now have access to the CIPFA BGF on-line resources. The Head of Internal Audit is preparing a training programme using the information from the Training Needs Analysis - but linked to the timing of items in the Audit Committee work programme. See also item 145 below. The items will be merged.
21/04/2011	132 – Progress on Issues Raised by the Committee	(a) THAT IT BE A RECOMMENDATION TO THE EXECUTIVE – That the revised Anti-Money Laundering Policy , as set out at Appendix 4 to the report be approved, subject to the use of bold and/or italic font for certain words or sentences being changed to normal font.	This Policy was submitted to the Executive on 26 July 2011 and was approved.
21/04/2011	140 – Information Governance	(b) That it be noted that the Corporate Director – Finance and Central Services intends to report to the Committee, at a later stage during the year, concerning information security breaches .	Next progress report on Information Governance scheduled for meeting on 8 December 2011
30/06/2011	144 – Progress on issues raised by the Committee	(b) That letters be prepared for the Chairman’s signature, to be sent to the 3 County Councillors whose 2010/11 Related Party Transaction Returns are still outstanding.	Further reminders sent and 2 returns have now been received. This leaves one Councillor who, at the time of writing this report, has failed to reply.
30/06/2011	145 – Review of the effectiveness of Internal Audit 2010/11	(b) That a training session, linked to a future meeting of the committee, be arranged to consider the issues arising out of the CIPFA review of audit committees, as set out at Appendix 1 to the report.	See 119 above

Date	Minute number and subject	Audit Committee Resolution	Comment
30/06/2011	148 – Internal Audit Report on Corporate Themes	(b) That the Executive be advised that this Committee has some concern that in a number of areas relating to HR processes as applied by managers with clear guidelines are not always being followed by directorates.	The Committee's concerns are scheduled to be considered by Management Board on 20 September and by the Executive on 27 September. The outcome will be reported orally at today's Audit Committee meeting.
30/06/2011	151 – Annual governance statement and local code of corporate governance	(b) That the revised Local Code of Corporate Governance, as set out at Appendix B to the report, be recommended for approval by the County Council.	The revised Local Code will be submitted to the County Council meeting on 12 October 2011 for approval.
30/06/2011	151 – Annual governance statement and local code of corporate governance	(c) That the Standards Committee be requested to let this Committee have sight of the new Standards of Conduct expected of County Councillors at such time as such standards are adopted.	This will be implemented once the new Code becomes available.
30/06/2011	152 – Statement of Final Accounts 2010/11 – North Yorkshire County Council	(a) That the draft Statement of Final Accounts for 2010/11, as set out at Appendix A to the report, be noted in advance of the accounts being audited and resubmitted to the Audit Committee on 29 September 2011 for formal approval.	See Agenda item 6 for this meeting.
30/06/2011	154 – Service Continuity Planning	(b) That a further report on progress be submitted to the Committee's meeting to be held during December 2011.	Item scheduled in work programme for December 2011 meeting.
30/06/2011	155 – Programme of Work	(b) That "Chairmanship of the Committee" be the first item of business on the Agenda for the Committee's meeting on 29 September 2011.	See item 1 on this Agenda.

3.0 **TREASURY MANAGEMENT**

- 3.1 The Committee has taken an active role in monitoring the Treasury Management (TM) activity of the County Council, and the County Council has now approved an amendment to the Terms of Reference of the Committee that acknowledges that role.
- 3.2 Given the current Code of Practice for Treasury Management, the Audit Committee needs to maintain this active interest particularly in relation to any significant changes in Treasury Management activity that necessitates changes in the County Council's lending or borrowing strategies. However these changes do not necessarily occur on a predictable or regular basis.
- 3.3 It has therefore been agreed with the Chairman and Vice-Chairman that, rather than produce an agenda report which states that "nothing has changed", such an update can be provided via this report. Clearly however if significant changes have taken place they will be reported to the Committee in the normal way via a separate report on the Agenda.
- 3.4 Since the Committee's last meeting held in June, the report on Quarter 1 of 2011/12 has been considered by the Executive on 23 August 2011. A copy of the relevant pages of the report was posted to all Audit Committee Members (including External Members) on 5 September 2011.

4.0 **RECOMMENDATION**

- 4.1 That the Committee considers whether follow up action is required on any of the matters referred to in this report.

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CAROLE DUNN
Assistant Chief Executive
(Legal and Democratic Services)

County Hall
NORTHALLERTON

21 September 2011
MD/JSM

Background Documents: Report to, and Minutes of, Audit Committee meeting held 30 June 2011.