

# Agenda

**Meeting: Audit Committee**

**Venue: Meeting Room 3, County Hall,  
Northallerton**

**Date: Thursday 8 March 2012 at 1.30 pm**

**Note: Members are invited to attend a training session concerning counter fraud at 1.00 pm in Meeting Room 3.**

**Business**

1. Minutes of the meeting held on 8 December 2011. **(Pages 1 to 10)**
2. Exclusion of the Public - The Committee is recommended to approve the following – That, in pursuance of Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of Appendices 2 and 3 to the report 'Counter Fraud and Associated Matters' on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 7 of Part 1 of Schedule 12A to the Local Government Act 1972 as amended by the Local Government (Access to Information)(Variation) Order 2006.

**keep north yorkshire in touch**

Enquiries relating to this agenda please contact Ruth Gladstone **Tel: 01609 532555**  
Fax: **01609 780447** or e-mail [democratic.services@northyorks.gov.uk](mailto:democratic.services@northyorks.gov.uk) (or 0800 220617 after office hours)  
[www.northyorks.gov.uk](http://www.northyorks.gov.uk)

3. Public Questions or Statements.

Members of the public may ask questions or make statements at this meeting if they have delivered it in writing or by electronic mail to Ruth Gladstone of Democratic Services (*contact details below*) no later than midday three on Monday 5 March 2012. Each speaker should limit himself/herself to 3 minutes on any item. Members of the public who have given notice will be invited to speak:-

- at this point in the meeting if their questions/statements relate to matters which are not otherwise on the Agenda (subject to an overall time limit of 30 minutes);
- when the relevant Agenda item is being considered if they wish to speak on a matter which is on the Agenda for this meeting.

4. 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).

**(Late Report) (Pages 11 to 16)**

**Policy / Planning / Regulatory Items**

5. Draft Internal Audit Plan 2012/13 – Report of the Head of Internal Audit.

**(Late Report) (Pages 17 to 49)**

6. Counter Fraud and Associated Matters - Report of the Head of Internal Audit.

**(Late Report) (Pages 50 to 78)**

**Item 7 will be considered at 2.15 pm or as soon as possible thereafter**

7. External Audit Grant Letter.

**(Late Report) (Pages 79 to 86)**

**Monitoring of Progress / Performance Items**

8. Internal Audit Work on Contract Arrangements – Report of the Head of Internal Audit.

**(Late Report) (Pages 87 to 96)**

9. Progress on 2011/12 Internal Audit Plan – Report of the Head of Internal Audit.

**(Late Report) (Pages 97 to 118)**

**Item 10 will be considered at 2.40 pm or as soon as possible thereafter**

10. Internal Audit Work and Related Internal Control Matters for Finance and Central Services and Material Financial Systems – Joint Report of the Head of Internal Audit and the Corporate Director – Finance and Central Services.  
**(Late Report) (Pages 119 to 134)**

11. Internal Audit Work on Corporate Themes – Report of the Head of Internal Audit.  
**(Late Report) (Pages 135 to 155)**

**Item 12 will be considered at 3.00 pm or as soon as possible thereafter**

12. Internal Audit Work and Related Internal Control Matters for the Chief Executive’s Group – Joint report of the Chief Executive and the Head of Internal Audit.  
**(Late Report) (Pages 156 to 169)**

13. Programme of Work – Report of the Corporate Director – Finance and Central Services.  
**(Late Report) (Pages 170 to 173)**

14. Such other business as in the opinion of the Chairman should, by reason of special circumstances, be considered as a matter of urgency.

Carole Dunn  
Assistant Chief Executive (Legal and Democratic Services)

County Hall  
Northallerton

29 March 2012  
RAG/ALJ

**Notes:**

- (a) Members are reminded of the need to consider whether they have any personal or prejudicial interests to declare on any of the items on this agenda and, if so, of the need to explain the reason(s) why they have any personal interest when making a declaration.

The relevant Democratic Support Officer or Monitoring Officer will be pleased to advise on interest issues. Ideally their views should be sought as soon as possible and preferably prior to the day of the meeting, so that time is available to explore adequately any issues that might arise.

- (b) Tea and coffee will be available before the start of the meeting. Will Members please help themselves.

- (c) **Emergency Procedures for Meetings**

**Fire**

The fire evacuation alarm is a continuous Klaxon. On hearing this you should leave the building by the nearest safe fire exit. From **Meeting Room 3** this is the staircase outside Meeting Room 3 or, if that is unsafe, the main entrance stairway. Once outside the building please proceed to the fire assembly point outside the main entrance

Persons should not re-enter the building until authorised to do so by the Fire and Rescue Service or the Emergency Co-ordinator.

An intermittent alarm indicates an emergency in nearby building. It is not necessary to evacuate the building but you should be ready for instructions from the Fire Warden.

If you discover a fire, you should sound the alarm and then dial 9-999 asking the Fire Brigade to come to the main County Hall Building, Northallerton. You should then ring County Hall Reception on 5586 to inform them where the fire is.

There are alarm points at each end of the Meeting Room corridor – and at the main stairway.

**Accident or Illness**

First Aid treatment can be obtained by telephoning County Hall Reception on Extension 5586.

# AUDIT COMMITTEE

## 1. Membership

COUNTY COUNCILLORS - (8)					
1.	ARTHUR, Karl			Conservative	
2.	CHATT, Bill			NY Independent	
3.	De COURCEY-BAYLEY, Mrs Margaret-Ann <b>Chairman)</b>	<b>(Vice-</b>		Liberal Democrat	
4.	HESELTINE, Robert			NY Independent	
5.	JORDAN, Mike			Conservative	
6.	MULLIGAN, Patrick	<b>(Chairman)</b>		Conservative	
7.	PEARSON, Chris			Conservative	
8.	PLANT, Joe			Conservative	
MEMBERS OTHER THAN COUNTY COUNCILLORS - (3) NON-VOTING					
	1. CRONIN, Henry*				
	2. DAGLISH, James*				
	3. PORTLOCK, David*				
TOTAL MEMBERSHIP - (11) QUORUM - (3) County Councillors					
	CON	LIB DEM	NY IND	NON COUNTY COUNCILLORS	TOTAL
	5	1	2	3	11

## 2. Substitute Members

<p style="text-align: center;"><b>CONSERVATIVE</b></p> <p>MBE</p> <ol style="list-style-type: none"> <li>1. BATEMAN, Bernard</li> <li>2. SOWRAY, Peter</li> <li>3. KENYON, Jane</li> <li>4. PEART, Dave</li> </ol>	<p style="text-align: center;"><b>LIBERAL DEMOCRAT</b></p> <ol style="list-style-type: none"> <li>1. BARNES, Keith</li> <li>2. HOULT, Bill</li> <li>3.</li> </ol>
<p style="text-align: center;"><b>NY INDEPENDENT</b></p> <ol style="list-style-type: none"> <li>1. BLACKIE, John</li> <li>2.</li> <li>3.</li> <li>4.</li> </ol>	<p style="text-align: center;"><b>INDEPENDENT</b></p> <ol style="list-style-type: none"> <li>1.</li> <li>2.</li> </ol>

Note: Members (including any Substitute Members) should only serve if they have received the necessary training.

\* For term of office see County Council resolution of 19 May 2010