



**North Yorkshire
County Council**

Agenda

Meeting: Audit Committee

**Venue: Brierley Room, County Hall,
Northallerton**

Date: Thursday 3 March 2016 at 1.30 pm

Note: Members are invited to attend a seminar concerning Counter Fraud at 12.30 pm in the Brierley Room. A buffet lunch will be available from midday in the Brierley Room.

Recording is allowed at County Council, committee and sub-committee meetings which are open to the public. Please give due regard to the Council's protocol on audio/visual recording and photography at public meetings, a copy of which is available to download below. Anyone wishing to record is asked to contact, prior to the start of the meeting, the Officer whose details are at the foot of the first page of the Agenda. We ask that any recording is clearly visible to anyone at the meeting and that it is non-disruptive. <http://democracy.northyorks.gov.uk>

Business

- 1. Minutes of the meeting held on 3 December 2015.**

(Pages 1 to 5)

- 2. Exclusion of the Public** - The Committee is recommended to approve the following:- That 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.

3. Public Questions or Statements.

Members of the public may ask questions or make statements at this meeting if they have given notice to Ruth Gladstone of Democratic Services (*contact details at the foot of the first page of the Agenda*) by midday on Monday 29 February 2016. Each speaker should limit themselves 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.

If you are exercising your right to speak at this meeting, but do not wish to be recorded, please inform the Chairman who will instruct those taking a recording to cease while you speak.

- 4. Progress on Issues Raised by the Committee** – Joint report of the Corporate Director – Strategic Resources and the Assistant Chief Executive (Legal and Democratic Services).
(Pages 6 to 8)
- 5. External Audit Plan 2015/16 for North Yorkshire County Council and North Yorkshire Pension Fund** – Plan from KPMG.
(Pages 9 to 24)
- 6. Progress on 2015/16 Internal Audit Plan** - Report of the Head of Internal Audit.
(Pages 25 to 29)
- 7. Internal Audit Plan for 2016/17** - Report of the Head of Internal Audit.
(Pages 30 to 49)
- 8. Internal Audit Work / Internal Control Matters for the Central Services Directorate:-**
- (a) Report of the Head of Internal Audit.
(Pages 50 to 58)
- (b) Report of the Corporate Director - Strategic Resources.
(Pages 59 to 71)

9. **Accounting Policies** - Report of the Corporate Director – Strategic Resources.
(Pages 72 to 78)
10. **Information Governance – Progress Report** - Report of the Corporate Director – Strategic Resources.
(Pages 79 to 83)
11. **Counter Fraud and Associated Matters** - Report of the Head of Internal Audit.
(Pages 84 to 95.
Private appendices 2 and 3 circulated to Members only - Pages 96 to 109)
12. **Annual Treasury Management Strategy 2016/17** - Report of the Corporate Director – Strategic Resources.
(Pages 110 to 175)
13. **Programme of Work** – Report of the Corporate Director – Strategic Resources.
(Page 176)
14. **Other business which the Chairman agrees should be considered as a matter of urgency because of special circumstances.**

Barry Khan

Assistant Chief Executive (Legal and Democratic Services)

County Hall
Northallerton

24 February 2016

Notes:

- (a) Members are reminded of the need to consider whether they have any 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 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) **Emergency Procedures for Meetings**

Fire

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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.

Accident or Illness

First Aid treatment can be obtained by telephoning Extension 7575.

AUDIT COMMITTEE

Membership as at 22 February 2015

1. Membership

| County Councillors (8) | | | | | | | |
|--|------------------------------------|--------|--------|---|------------------------|-----|-------|
| | <i>Councillors Names</i> | | | | <i>Political Party</i> | | |
| 1 | ATKINSON, Margaret (Vice Chairman) | | | | Conservative | | |
| 2 | BAKER, Robert | | | | Conservative | | |
| 3 | BROADBENT, Eric | | | | Labour | | |
| 4 | CLARK, Jim | | | | Conservative | | |
| 5 | FORT, John BEM | | | | Conservative | | |
| 6 | GRANT, Helen | | | | NY Independent | | |
| 7 | HOULT, Bill | | | | Liberal Democrat | | |
| 8 | JORDAN, Mike (Chairman) | | | | Conservative | | |
| Members other than County Councillors (3) | | | | | | | |
| 1 | PORTLOCK, David | | | | | | |
| 2 | MARSH, David | | | | | | |
| 3 | Vacancy | | | | | | |
| Total Membership – (11) | | | | Quorum – (3) County Councillors | | | |
| Con | Lib Dem | NY Ind | Labour | Liberal | UKIP | Ind | Total |
| 5 | 1 | 1 | 1 | 0 | 0 | 0 | |

2. Substitute Members

| Conservative | | Liberal Democrat | |
|-----------------------|--------------------------|-------------------------|---------------------------------|
| | <i>Councillors Names</i> | | <i>Councillors Names</i> |
| 1 | HARRISON-TOPHAM, Roger | 1 | De COURCEY-BAYLEY, Margaret-Ann |
| 2 | SANDERSON, Janet | 2 | |
| 3 | METCALFE, Chris | 3 | |
| 4 | | 4 | |
| 5 | | 5 | |
| NY Independent | | Labour | |
| | <i>Councillors Names</i> | | <i>Councillors Names</i> |
| 1 | BLACKIE, John | 1 | SHAW-WRIGHT, Steve |
| 2 | JEFFERSON, Janet | 2 | |
| 3 | | 3 | |
| 4 | | 4 | |
| 5 | | 5 | |