

NORTH YORKSHIRE COUNTY COUNCIL

AUDIT COMMITTEE

1 December 2016

PROGRESS ON ISSUES RAISED BY THE COMMITTEE

Joint Report of the Corporate Director – Strategic Resources 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 and / or when it requested further information be submitted to future meetings. The table below represents the list of issues which were identified at previous Audit Committee meetings and which have not yet been resolved. The table also indicates where the issues are regarded as completed and will therefore not be carried forward to this agenda item at the next Audit Committee meeting.

Date	Minute number and subject	Audit Committee Resolution	Comment	Complete?
23/09/15	146 – Internal Audit Work and related Internal Control Matters for the Health and Adult Services Directorate.	That the Corporate Director – Strategic Directors discuss the timing of the next governance review of the Health and Wellbeing Board and Integrated Commissioning Board with the Assistant Director – Strategic Resources and the Head of Internal Audit.	Awaiting latest set of guidelines for Better Care Fund and on-going discussions with Health. Optimum timing will then be determined. A verbal update was provided to the Committee at the last meeting. This issue is such that it is unlikely that a single action will address. It is suggested that verbal updates continue to be provided and the focus on HAS for the September meeting provides opportunity to explore further.	X

Date	Minute number and subject	Audit Committee Resolution	Comment	Complete?
23/06/16	179 – Progress on Issues Raised by the Committee	That the precise number of employees who should have, but had not, completed the Information Governance mandatory online learning course by the 31 March 2016 deadline be reported to a future meeting, together with information concerning the action which had been taken as a consequence of non-completion.	Verbal update was provided at meeting of 29 Sept 2016	✓
	186 – Business Continuity Plan - update	That Members' comments be fed into Management Board as part of the validation of the Corporate Business Continuity Plan	Business Continuity not been on Management Board agenda subsequently as yet.	x
	187 - Corporate Procurement Strategy	That the Head of Procurement and Contract Management research whether the County Council now has more suppliers as a consequence of the simplification of the rules.	Kevin Draisey to provide response at the appropriate time. It is suggested that this analysis be carried out after a year of the new arrangements – suggested March 2017.	X
29/09/2016	200 – External Audit Report 2015/16 – North Yorkshire County Council and North Yorkshire Pension Fund	That Ruth Gladstone (Principal Democratic Services Officer) forward dates of future Audit Committee meetings to Mr David Marsh and Mr David Portlock as soon as meeting dates are finalised.	This has now been actioned	✓
	206 – Internal Audit Report on Information Technology, Corporate Themes and Contracts	That the Head of Internal Audit provide further information to Members about external back-up for Schools ICT.	Response provided on 4 October. Extract = "Jon Learoyd, who is a manger in Technology and Change, has confirmed that the systems are covered by the council's general back up arrangements. Non-sensitive data is also saved to the cloud. Highfield House is currently used by the school's ICT team. The team provides IT support to approximately 400 schools. Highfield	✓

Date	Minute number and subject	Audit Committee Resolution	Comment	Complete?
			House is used as a training facility and hosts the servers used by the team. The plan is to relocate all the staff and equipment based at Highfield House into County Hall in the new year. This will address the physical and environmental problems identified in the report.”	
	208 – Programme of Work	That the programme of work be approved, subject to the Corporate Director, Strategic Resources arranging a briefing for Mr David Marsh (External Member) concerning procurement.	To arrange on rising of Audit Cttee	X

3.0 TREASURY MANAGEMENT

- 3.1 The Bank of England Monetary Policy Committee left Bank Rate unchanged at 0.25% and other monetary policy measures also remained unaltered following the meeting on 3 November 2016. This was in line with market expectations, but a major change from the previous quarterly Inflation Report meeting in August, which had given a strong steer in its forward guidance that it was likely to cut Bank Rate again, probably by the end of the year if economic data turned out as forecast by the Bank.
- 3.2 The latest Bank of England decision included a forward view that Bank Rate could go either up or down depending on how economic data evolves in the coming months.
- 3.3 As a result, Capita Asset Services – Treasury Solutions provided an updated interest rate forecast on 15 November 2016. The forecast now anticipates that Base Rate will remain at 0.25% until June 2019, when it will rise to 0.50% and then a further increase to 0.75% in December 2019.
- 3.4 It should be noted, however, there are many potential economic headwinds which could blow the UK economy one way or the other as well as political developments in the UK, (especially over the terms of Brexit), EU, US and beyond, which could have a major impact on this forecast.
- 3.5 The Corporate Director – Strategic Resources authorised the addition of Standard Chartered Bank to the Approved Lending List under delegated powers in October 2016 with a maximum investment limit of £40m.

4.0 RECOMMENDATION

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

GARY FIELDING
Corporate Director – Strategic Resources

BARRY KHAN
Assistant Chief Executive
(Legal and Democratic Services)

County Hall
NORTHALLERTON

1 December 2016

Background Documents: Report to, and Minutes of, Audit Committee meeting held on 29 September 2016