

## NORTH YORKSHIRE COUNTY COUNCIL

## AUDIT COMMITTEE

25 October 2019

## 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.

<b>Date</b>	<b>Minute number and subject</b>	<b>Audit Committee Resolution</b>	<b>Comment</b>	<b>Complete?</b>
10.10.18	93 – Audit Committee Terms of Reference / Review of Effectiveness	That a working group be set up to undertake a review of the Committee's effectiveness and that the Chair and Gary Fielding seek working group volunteers via email.	Working group established and meetings held – see minute 107 below	✓
07.03.19	107 – Progress on Issues Raised by the Committee	That the Committee's Chairman, Vice-Chairman, Mr Nick Grubb and Mr David Portlock be appointed to comprise a group, facilitated by Max Thomas to:- Discuss how this Committee is functioning; seek feedback from others such as the CD –SR and External Audit; review the findings; submit any proposed changes to a future meeting of the Committee for decision, and Full Council if	In progress	X

Date	Minute number and subject	Audit Committee Resolution	Comment	Complete?
		appropriate; and complete the CIPFA questionnaire with input from the CD – SR		
07.03.19	118 – Central Services Directorate – Internal Audit Work and Control Matters	That the CD – SR reinforce the importance of County Councillors including, on their mileage and subsistence claims, information which is sufficiently detailed to enable the claim to be processed without delay.	Latest position checked and improvement notes. Further reminder still to be progressed at some point.	X
21.06.19	128 – 2019/20 Internal Audit Plan	That the Internal Audit Plan for 2019/20, as set out in Appendix 1 to the report, be approved, subject to the following:- with regard to Children and Young People’s Services, 15 Audit days be allocated for Home to School Transport, rather than for Adult Learning, for the purpose explained in the meeting.	This change was made. However, a subsequent variation means Home to School Transport audit will now be done in 2020/21	✓
21.06.19	128 – 2019/20 Internal Audit Plan	That the CD, SR keep CC Geoff Webber informed of the work which is being undertaken to look at the procedure operating in the Health and Adult Services Directorate under which debts are written-off.	Cllr Webber provided with update.	✓
21.06.19	132 – Audit Committee Programme of Work 2019/20	That Seminars concerning the following issues be held at 1 pm prior to future meetings of the Committee – <ul style="list-style-type: none"> <li>• Pension Governance</li> <li>• Beyond 2020, including the approach to property rationalisation</li> </ul>	Sessions added to the Programme of Work with a date for each of the sessions to be decided.	✓
21.06.19	132 – Audit Committee Programme of Work 2019/20	That officers look into the issue of whether Friday afternoons are convenient to Members for attending Audit Committee meetings and discuss the matter with the Chairman.	A subsequent survey of Members identified that Monday afternoons would be best for Audit Committee meetings. The Calendar of Meetings for the year commencing May 2020 (due to be finalised in November 2019) puts Audit Committee meetings on Monday afternoons (5 pa).	✓

Date	Minute number and subject	Audit Committee Resolution	Comment	Complete?
22.07.19	138 – Statement of Final Accounts for 2018/19 including Letter of Representation	The CD, SR advise the Chairman of the outcome of Deloitte's Actuary's consideration of the County Council's pensions liability and take any further action which the CD, SR considers necessary and subsequently inform the remainder of the Committee's membership of the situation.	<p>There were no further changes to the Statement of Accounts following sign off by Audit Committee on 19 July and no further action was necessary within the final SOFA.</p> <p>A judgemental difference of £5m was noted in the final report. The note in the report highlighted the difference between NYCC's assessment of the impact of McCloud and that of Deloitte.</p>	✓

### 3.0 TREASURY MANAGEMENT

- 3.1 The Government announced on 9 October that it had legislated to increase the statutory limit on Public Works Loan Board (PWLB) borrowing levels and increased the interest rates offered on all new loans. The Government indicated the change in policy was a response to an increase over the summer in borrowing from PWLB (the HMT department that issues loans to local authorities) due to a fall in the cost of borrowing to historically low levels.
- 3.2 The announcement has increased the interest rates of all new PWLB loans by 1% on top of existing loans terms. The County Council has no current plans to borrow funds from the PWLB, with the Capital Financing Requirement (need to borrow) on a reducing trajectory. However, as a result of the announcement, any potential future plans will now include an additional 1% premium.

### 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

25 October 2019

**Background Documents:** Report to, and Minutes of, Audit Committee meetings held on 21 June and 22 July 2019