

The Report of the Audit Committee

The Audit Committee met on Thursday, 26 June 2008. Present:- County Councillor Roger Harrison-Topham in the Chair. County Councillors Philip Barrett, Bernard Bateman MBE, Geoffrey Cullern (as Substitute for Melva Steckles), Bill Hout, Shelagh Marshall (as Substitute for Elizabeth Casling) and Christopher Pearson. Also Mr James Daghish (External Member).

1. Audit Committee Terms of Reference: There have been a number of changes to the framework of corporate governance in local authorities. One of the main changes has been the requirement to produce, with effect from 2007/2008, an Annual Governance Statement. That statement replaces the annual Statement on Internal Control which the County Council was required to produce under previous regulations.

Currently the Audit Committee's terms of reference include the following:- "to approve the annual Statement on Internal Control".

The Audit Committee has considered a proposal to amend its terms of reference by replacing the reference to the annual Statement on Internal Control with reference to an Annual Governance Statement.

The Audit Committee RECOMMENDS:

That the terms of reference of the Audit Committee, as set out in the County Council's Constitution, be amended by replacing "to approve the annual Statement on Internal Control" with "to approve an Annual Governance Statement".

ROGER HARRISON-TOPHAM
Chairman

County Hall,
NORTHALLERTON.

15 July, 2008