

The Report of the Audit Committee

The Audit Committee met on Thursday 19 April 2012. Present:- County Councillor Patrick Mulligan (Chairman); County Councillors Karl Arthur, Bill Chatt, Margaret-Ann de Courcey-Bayley, Robert Heseltine, Mike Jordan, Chris Pearson and Joe Plant; and External Members of the Committee: Mr Henry Cronin and Mr David Portlock. (*Note: Mr Henry Cronin declared a personal and prejudicial interest and left the meeting during the Committee's consideration of the issue set out below.*)

1. Audit Committee Membership: The County Council, on 16 December 2009, agreed to re-establish three seats on the Audit Committee for non-voting External Members, one of which was for a Member of the Standards Committee, preferably the Chairman, but not a County Councillor, with the remaining two seats being filled following advertisement, short-listing and interview. Following the necessary enquiries and action, the County Council, on 19 May 2010, appointed to the Audit Committee:-

- Mr Henry Cronin as the Independent Member representative from the Standards Committee to serve for the remaining life of the County Council plus up to a further 12 months, subject to him continuing as an Independent Member of the Standards Committee; and
- Mr James Daghish and Mr David Portlock to serve for the remaining life of the County Council plus up to a further 12 months.

The Audit Committee, on 19 April 2012, was advised that the County Council's existing Standards Committee, on which Mr Henry Cronin serves, would be disestablished on implementation of the standards provisions of the Localism Act 2011 and that Mr Henry Cronin's membership of the Audit Committee would therefore terminate at the same time.

The Audit Committee considers that Mr Henry Cronin has gained experience of the Audit Committee's work and has made a valuable contribution. In view of his experience, the Committee would like the County Council, today, to approve the re-appointment of Mr Henry Cronin to the Audit Committee, to serve for the remaining life of the County Council plus up to a further 12 months. This would ensure additional continuity of expertise beyond the establishment of the new Council. The Committee understands that Mr Henry Cronin is willing to accept re-appointment, if this was offered.

The Audit Committee was also advised that, as at 19 April 2012, the County Council had not made a decision on whether to establish a voluntary Standards Committee under the new Standards regime and, if such a committee was established, whether its membership would include one or more Independent Persons as Co-opted Members of that Committee. However, it was noted that any voluntary Standards Committee could not be chaired by an Independent Person. In the circumstances, the Audit Committee asks the County Council to remove the existing provision, agreed by the County Council on 16 December 2009, that one of the three seats for External Members on the Audit Committee should be for a Member of the Standards Committee, preferably the Chairman, but not a County Councillor. This issue will be reconsidered at a future meeting of the Audit Committee once the composition of any voluntary Standards Committee which might be established is known.

The Audit Committee RECOMMENDS:

- (a) That Mr Henry Cronin be re-appointed as a non-voting External Member of the Audit Committee, to serve for the remaining life of the County Council plus up to a further 12 months.
- (b) That the existing provision (approved by the County Council on 16 December 2009), that one of the three seats for External Members on the Audit Committee should be for a Member of the Standards Committee, preferably the Chairman, but not a County Councillor, be removed.

PATRICK MULLIGAN
Chairman

County Hall
NORTHALLERTON

8 May 2012