

NORTH YORKSHIRE COUNTY COUNCIL

AUDIT COMMITTEE

27 June 2022

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?
25.10.21	159 – Audit Committee Work Programme	That, in respect of training sessions held immediately prior to the Committee's meetings:- <ul style="list-style-type: none">i. Governance of the Highways Teckal be scheduled for 26 October 2020ii. Pensions Governance be scheduled for 27 March 2020iii. A session about Beyond 2020 including Property Rationalisation be organised for the External Members only	These have now been added to the work programme	

3.0 TREASURY MANAGEMENT

3.1 The Bank of England first raised interest rates in December 2021 from 0.10% to 0.25%. This was subsequently followed by 3 further rises in February, March and May 2022 to 1.0%. The Bank of England then announced a further rate rise to 1.25% in June. Following the Bank of England interest rate rises, the County Council's Treasury Advisors, Link, have revised their own Interest Rate forecasts. It is now forecast that further increases will be made in June, followed by further increase throughout the year and rising to 2% in March 2023 as the Bank of England focus on combating inflation.

GOVERNANCE ARRANGEMENTS FOR LOCAL AUTHORITY TRADING COMPANIES

3.2 The Chartered Institute of Public Finance and Accountancy (CIPFA) recently announced it will issue new guidance to councils on governance arrangements for local authority trading companies (LATCs) in the autumn. The focus of the guidance will be on reducing risk and building stronger assurance processes, while supporting chief finance officers to improve good financial management in line with CIPFA's Financial Management Code. A further update will be provided to the Audit Committee following publication of the guidance.

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

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Assistant Chief Executive
(Legal and Democratic Services)

County Hall
NORTHALLERTON

27 June 2022

Background Documents: Report to, and Minutes of, Audit Committee meetings held on 21 March 2022