

NORTH YORKSHIRE COUNTY COUNCIL

AUDIT COMMITTEE

20 September 2021

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?
20.12.19	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	Governance of external companies is also to be added. As agreed at the last meeting training sessions will recommence in 2021.	X
22.03.21	200 – Programme of Work	Training about the governance of the external companies could be held as a follow- up session and be combined with a		X

Date	Minute number and subject	Audit Committee Resolution	Comment	Complete?
		more detailed session about commercial investments.		
28.06.21	205 – Draft Statement of Accounts 2020/21	That a Working Group be created to support the Audit Committee in providing overview of the Draft Statement of Accounts 2020/21 and associated governance documents in advance of the accounts being audited and resubmitted to the Audit Committee’s meeting on 20 September 2021 for formal approval.	The Working Group was created and met on the 2 September	✓

3.0 TREASURY MANAGEMENT

3.1 During the remainder of 2021/22, the North Yorkshire Pension Fund (NYPF) are undertaking a re-alignment of their Investment Strategy, which is expected to impact on the treasury management cash flow position. In order to increase capacity within the Approved Lending List to support the investment re-alignment, the Corporate Director – Strategic Resources, under delegated authority, has approved the following amendments to the Approved Lending List with effect from 6 July 2021:-

- i. addition of the Australia and New Zealand Banking Group (ANZ) to the Lending List,
- ii. increase the Lending Limit on the Money Market Funds from £20m to £40m.

3.2 CIPFA published their response to the Treasury Management Code and Prudential Code consultations on 24 June 2021. Following a review of the initial consultation, CIPFA have confirmed the changes that will be taken forward into revised versions including proposals for strengthening the Prudential and Treasury Management Codes with a focus on proportionality, clarification around the definition of commercial activity and officer/member training. CIPFA intends to publish the revised Codes in December 2021. All changes will then need to be reflected in the 2022/23 Treasury Management Strategy.

3.3 In addition to the changes being introduced by CIPFA, on 28 July 2021 the Ministry of Housing, Communities & Local Government (MHCLG) published a policy paper – Local Authority Capital Finance Framework: Planned Improvements. The paper sets out the Government’s plans for strengthening the current capital financing system while protecting the principles of local decision making. The paper sets out plans for improving the Government’s role as steward of the local government financial system through data collection and risk prevention. The Government are currently reviewing the Prudential Framework and will be engaging with stakeholders on individual proposals as they are developed and through consultation where appropriate.

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

20 September 2021

Background Documents: Report to, and Minutes of, Audit Committee meetings held on 28 June 2021