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Meeting	Audit and Governance Committee
Date	15 March 2023
Present	Councillors Lomas (Chair), Fisher (Vice-Chair), Wann, Webb, Fenton (Substitute) And Perrett (Substitute)  Bryn Roberts – Director of Governance Debbie Mitchell – Chief Finance Officer Lorraine Lunt - Information Governance & Feedback Team Manager Cath Murray - Corporate Governance Operational Manager Mark Kirkham – Partner, Mazars Mark Outterside – Manager, Mazars Max Thomas - Head Of Internal Audit Veritau Connor Munro - Assistant Director – Audit Assurance, Veritau
Apologies	Councillors Baker, Musson and Independent Member Joe Leigh

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#### **41. DECLARATIONS OF INTEREST (17:33)**

Members were asked to declare any personal interests not included on the Register of Interests, any prejudicial interests or any disclosable pecuniary interests which they may have in respect of business on the agenda. None were declared.

#### **42. EXCLUSION OF PRESS AND PUBLIC (17:34)**

Resolved: That the press and public be excluded from the meeting during the consideration of Annex 3 and 4 to Agenda Item 9 on the grounds that they relate to the financial or business affairs of any particular person (including the authority holding that information).. This information is classed as exempt under Paragraph 3 of Schedule 12A to Section 100A of the Local Government Act 1972 (as revised by the Local Government (Access to Information) (Variation) Order 2006).

**43. MINUTES (17:35)**

The Committee considered the minutes of the meeting held on the 7 February 2023 and the Committees action log. Members enquired about the Committees recommendation to undertake a 3 year review into the Council's performance against the ten recommendations made by the Local Government Association. Officers confirmed that they were reviewing how to operate the review and would bring proposals to the first meeting of the Committee post the upcoming local elections.

Resolved: That the minutes of the meeting held on 7 February 2023 be approved and then signed by the Chair as a correct record.

**44. PUBLIC PARTICIPATION (17:37)**

It was reported that there had been no registrations to speak at the meeting under the Council's Public Participation Scheme.

**45. CORPORATE GOVERNANCE REPORT (17:37)**

The Committee considered a wide ranging update regarding the Corporate Governance performance indicators. Members raised a number of questions about the data provided, it was confirmed out of time responses to complaints included responses that had been made but had not gone through the Corporate Governance team. To further improve the process of responding to things such as complaints it was confirmed that the Corporate Governance team had been working closely with managers.

FOI responses were discussed and it was noted that a decrease in the number received had been partly down to a drop off during the Covid-19 lockdown period which had not picked back up, as well as, improved working practices to identify business as usual information requests. In cases where information which did not have to be considered for whether the information could not be shared, could be responded too within five days these requests were not logged as an FOI or EIR.

Resolved:

- i. Noted the report.

Reason: To provide the Committee with oversight of the Council's Corporate Governance.

**46. EXTERNAL AUDIT PROGRESS REPORT (17:53)**

The Committee considered the external audit report presented by Mazars. It was confirmed that Mazars had no significant issues to report. The report identified two potential areas of weakness which would be the subject of further work prior to the issuing of the Value for Money assessment and the final external audit judgment.

Resolved:

- i. Noted the report.

Reason: To ensure the Committee remained up to date on external audit work.

**47. KEY CORPORATE RISKS MONITOR 4 (18:01)**

The Committee considered the final monitor report for 2022-2023 into the Council's Key Corporate Risks (KCR). It was confirmed that on this occasion no update was provided for KCR 12 Major Incidents, this was due to the Council waiting for further guidance from government. The Committee raised a number of queries regarding the Council's KCR's including whether the creation of a new mayoralty for North Yorkshire presented a corporate risk to the Council. Officers confirmed that they would review potential risks and determine whether these were corporate risks to the Council and report back to the Committee.

Members enquired about the upcoming closure of KCR 8 The Local Plan and whether there could be risks involving the plan post adoption. Officers confirmed that the current risk was represented as the Council not currently having an adopted plan, therefore, once adopted the risk of not having a Local Plan was no longer a risk. However, it was confirmed that should new risks arise following the plan's adoption then these can become new risks monitored as part of the KCR monitor.

Resolved:

- i. That risks relating to the Combined Authority in North Yorkshire be included within a future KCR monitor.

Reason: To provide assurance that the authority is effectively understanding and managing its key risks.

**48. INTERNAL AUDIT & COUNTER FRAUD WORK PROGRAMMES 2023/24 (18:13)**

Veritau presented their report to the Committee on the Internal audit & counter fraud work programmes for 2023-2024. They confirmed that they had purposefully overprogrammed, noting that by overprogramming should some work need to be paused or have other barriers to completion then alternative audits and counter fraud work could be quickly undertaken. The Committee considered the work programmes noting the planned work for 2023-2024.

Resolved:

- i. Approved the 2023/24 internal audit work programme and noted the proposed counter fraud work programme.

Reason: In accordance with the committee's responsibility for overseeing the work of internal audit and the counter fraud service.

**49. AUDIT & COUNTER FRAUD PROGRESS REPORT (18:20)**

The Committee considered the audit reports presented to them by Veritau. Members enquired as to why some audits were started and deferred to 2023-2024. Veritau confirmed that deferrals could be for a number of reasons but included a desire to not duplicate work or in areas such as healthcare to ensure in certain crunch time periods that staff were focused on core service delivery and not on audit. Members raised questions regarding some audits having no opinion attached. No opinion it was confirmed was usually down to the scope of the audit not being wide enough such as with Commercial Waste. It was

confirmed that while no opinion was given audit work would continue until Veritau were content with the service, this continued work could also be scaled up into a wider audit if deemed appropriate.

The Committee raised a number of questions regarding Members Enquires and agreed further clarity provided to Members around the process with Members Enquires and how these can be escalated to the Corporate Governance Team when required. It was agreed that some training would be appropriate for Members around accessing Members Enquires post the May Elections if not already timetabled for the Members Induction Programme.

*In accordance with the decision taken in minute 42 part of this item relating to Annex 4 and 5 regarding Physical Information Security Compliance were considered in private session.*

Resolved:

- i. Noted the progress made in delivering the 2022/23 internal audit work programme, and current counter fraud activity;
- ii. To ensure the Members Enquiry process was included within the Member Induction Programme.

Reason: To enable members to consider the implications of audit and fraud findings.

Cllr Lomas, Chair

[The meeting started at 5.33 pm and finished at 6.41 pm].