

Minutes of the meeting of the AUDIT,  
GOVERNANCE AND STANDARDS COMMITTEE  
held at 9.30 am on Wednesday, 18th June, 2014  
at MAIN COMMITTEE ROOM, CIVIC CENTRE,  
STONE CROSS, NORTHALLERTON

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Present

Councillor R W Hudson (in the Chair)

Councillor	R A Baker	Councillor	M Rigby
	Mrs C Patmore		

Apologies for absence were received from Councillors G W Dadd, J N Smith and Mrs J Watson

AGS.3 **MINUTES**

**THE DECISION:**

That the minutes of the meeting of the Committee held on 26 March 2014 (AGS.34 - AGS.42), previously circulated, be signed as a correct record.

AGS.4 **REGULATION OF INVESTIGATORY POWERS ACT - REVIEW OF ACTIVITY**

All Wards

**The subject of the decision:**

The Director of Support Services and Deputy Chief Executive presented a report advising the Committee that the Council, like many public authorities, was governed by the Regulation of Investigatory Powers Act 2000 (RIPA). This Act ensured that public authorities complied with their obligations under the Human Rights Act when undertaking investigations which might interfere with the rights of individuals. The Act introduced safeguards on activities such as surveillance undertaken by public bodies. The Committee had now been given responsibility for RIPA matters. This would involve the Committee reviewing the Council's Policy Statement and receiving quarterly reports on any activities which had been authorised under RIPA.

**Alternative options considered:**

None.

**The reason for the decision:**

To comply with the Regulation of Investigatory Powers Act 2000 (RIPA).

**THE DECISION:**

That it be noted that no RIPA authorisations will be made by the Council during the period 1 April – 30 June 2014.

AGS.5 **INTERNAL AUDIT REPORT 2013/14**

All Wards

**The subject of the decision:**

The Director of Support Services and Deputy Chief Executive presented the Internal Audit Annual Report for 2013/14 which was prepared by Veritau North Yorkshire (VNY).

The report provided a statement of assurance regarding the adequacy and effectiveness of the internal control system and a summary of the internal audit work carried out during the year to 31 March 2014. The Statement of Assurance would support the Annual Governance Statement (AGS) which formed part of the Council's Financial Statements.

**Alternative options considered:**

None.

**The reason for the decision:**

To take account of the performance of Veritau North Yorkshire (VNY) for 2013/14.

**THE DECISION:**

That the Internal Audit Annual Report 2013/14 be approved.

AGS.6 **ANNUAL GOVERNANCE STATEMENT FOR 2013/14**

All Wards

**The subject of the decision:**

The Director of Support Services and Deputy Chief Executive presented a report which presented the findings of a review of the governance framework, incorporating systems of internal control operating within the Council during 2013/14 and sought approval of the Annual Governance Statement.

**Alternative options considered:**

None.

**The reason for the decision:**

The preparation and publication of an Annual Governance Statement in accordance with the Cipfa/SOLACE Framework was necessary to meet the statutory requirements set out in Regulation 4(2) of the Accounts and Audit Regulations which required authorities to "conduct a review at least once in a year of the effectiveness of its system of internal control" and to prepare a statement on internal control "in accordance with proper practices".

**THE DECISION:**

That:-

- (1) the conclusion of the review of the system of internal control be agreed; and
- (2) the content of the Annual Governance Statement for publication with the annual Statement of Accounts be approved.

AGS.7 **ANNUAL REPORT TO CABINET ON AUDIT, GOVERNANCE AND STANDARDS COMMITTEE ACTIVITIES FOR 2013/14**

All Wards

**The subject of the decision:**

The Director of Support Services and Deputy Chief Executive presented a draft report which analysed the work undertaken by the Committee for the year to 31 March 2014. It was proposed that the report would be presented at Cabinet in July 2014.

**Alternative options considered:**

None.

**The reasons for the decision:**

To agree the content of the draft report prior to submission to Cabinet.

**THE DECISION:**

That:-

- (1) the report content be agreed; and
- (2) the report be submitted to Cabinet.

AGS.8 **ANNUAL REPORT ON COUNTER FRAUD AND ANTI-CORRUPTION FOR 2013/14**

All Wards

**The subject of the decision:**

The Director of Support Services and Deputy Chief Executive presented a report on the work that had been undertaken on Counter Fraud and Anti-Corruption during 2013/14.

**Alternative options considered:**

None.

**The reasons for the decision:**

To receive information on the work undertaken as part of the Committee's work programme.

**THE DECISION:**

That the Counter Fraud and Anti-Corruption work undertaken during the year to 31 March 2013 be noted and that Officers should investigate the possibility of redeploying the Fraud Investigation Service to consider Business Rate Fraud once Housing Benefit Fraud Investigation is transferred to the Department of Work and Pensions.

AGS.9 **DRAFT PLANNING REPORT TO AUDIT, GOVERNANCE AND STANDARDS ENDING 31 MARCH 2014**

All Wards

**The subject of the decision:**

The Director of Support Services and Deputy Chief Executive presented a report on the draft Audit Plan proposed from the Council's statutory auditor, Deloitte. The Plan set out the scope of the work that was to be undertaken together with an assessment of audit risks. The detailed plan was attached as an Annex to the report.

**Alternative options considered:**

None.

**The reason for the decision:**

To enable an audit to be undertaken in accordance with International Standards on Auditing (UK and Ireland) as adopted by the UK Auditing Practices Board and as required under Deloitte contract with the Audit Commission.

**THE DECISION:**

That the draft Audit Plan for the year ending 31 March 2014 be noted.

AGS.10 **REVIEW OF RISK MANAGEMENT**

All Wards

**The subject of the decision:**

The Director of Support Services and Deputy Chief Executive submitted a report which set out the Council's risk management process which included a comprehensive risk register. The risk register was divided into operational and strategic risks; operational risks were those affecting individual services and tended to involve the day to day running of those services, whilst strategic risks affected the whole Council and were wide reaching, both in terms of timescales and impact. The Committee was asked to review these risks.

**Alternative options considered:**

None.

**The reason for the decision:**

A critical purpose of the Audit, Governance and Standards Committee was to monitor the Strategic Risks affecting the Council ensuring that these were appropriately measured and that suitable actions were undertaken to mitigate the effect of each risk.

**THE DECISION:**

That the strategic risks affecting the Council and the actions that are in place to mitigate the impact upon the Council of each risk be noted.

AGS.11 **POLITICALLY RESTRICTED POSTS**

All Wards

**The subject of the decision:**

The Director of Support Services and Deputy Chief Executive presented a list of Politically Restricted Posts for approval. The Committee was asked to review the list because of re-organisation and changes in job titles within the Council.

**Alternative options considered:**

None.

**The reason for the decision:**

To comply with the Local Government and Housing Act 1989.

**THE DECISION:**

That the list of Politically Restricted Posts annexed to the report be approved.

The meeting closed at 10.00 am

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Chairman of the Committee