

HAMBLETON DISTRICT COUNCIL

Report To: Audit, Governance and Standards Committee
18 June 2014

From: Director of Support Services and Deputy Chief Executive

Subject: **ANNUAL REPORT TO CABINET ON AUDIT, GOVERNANCE AND STANDARDS COMMITTEE ACTIVITIES 2013/14**

All Wards

1.0 PURPOSE AND BACKGROUND:

1.1 The purpose of this report is to consider a draft report which analyses the work undertaken by the Audit, Governance and Standards Committee for the year to 31 March 2014. Under the Committee's Terms of Reference, it is proposed that the report will be presented at Cabinet in July 2014. The draft report is attached as Annex 'A'.

2.0 RISK ASSESSMENT:

2.1 There are no risks associated with the recommendations of this report.

3.0 RECOMMENDATION:

3.1 It is recommended that:-

- 1) the Committee agree the content of the report; and
- 2) the report is submitted to Cabinet.

JUSTIN IVES

Background papers: None

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AUDIT, GOVERNANCE AND STANDARDS COMMITTEE

WORK UNDERTAKEN DURING 2013/14

1. External Audit – Deloitte

Deloitte, as the Council's external auditor, presented reports that covered:-

- Annual Audit and Inspection Plan – this sets out the proposed plan for audit and inspection work;
- Annual Audit and Inspection Letter – this summarises the conclusions and significant issues arising from Deloitte's audit and inspection work;
- Annual Governance Report – this presents the findings, conclusions and recommendations from the annual audit. It also covers the audit of accounts and work undertaken on the arrangements to secure economy, efficiency and effectiveness in the use of resources;
- Quarterly reports on their activities with the Council.

It is pleasing to note that these reports did not identify any significant problems and were received and accepted by the Committee.

2. Internal Audit – Veritau North Yorkshire Limited

- Presented the 2012/13 Internal Audit Annual Report. The Report was accepted;
- Presented the 2012/13 Annual Governance Statement. This was approved;
- Gave a comparison of the Section's actual performance against target throughout the year. The Committee agreed that the performance was satisfactory;
- The annual review of the Audit Vision and Charter.

3. Accounts and Governance – Hambleton District Council staff

These reports cover the presentation of both: -

- The Statement of Accounts 2012/13 – these present the statutory financial accounts in the form prescribed by the Code of Practice on Local Authority Accounting in the UK – A Statement of Recommended Practice. The Committee scrutinised the detail of the accounts and after a robust challenge approved them;
- The Annual Governance Statement (AGS) for 2012/13 – this a statement required by statute which follows the guidelines issued by the Chartered Institute of Public Finance. It describes the internal control environment and the steps the Council has taken to ensure:-

- its business is undertaken in accordance with the law;
- it maintains proper safeguards that provide good governance;
- public money is safeguarded, and;
- its resources are used economically, efficiently and effectively.

The Committee agreed with the conclusion of the review and approved the content of the AGS.

- The Treasury Management Strategy and Practices were reviewed and accepted by the Committee.

4. Risk Management – Veritau North Yorkshire Limited

The Committee received a report on the Annual Review of Risk Management Strategy, this included a review of the Risk Management Process, Policy Statement and an updated Guidance Manual. The report and guidance were accepted.

5. Constitution and other work

The Committee received reports covering:-

- Amendments to the Councils Constitution – Scrutiny Committees and reviews of Procedure Rules and Articles.
- Activity under the Regulation of Investigatory Powers Act was reported and accepted.
- Annual Report on Counter Fraud and Corruption 2012/13 was reported and accepted.

6. Standards

The Committee took responsibility for the Standards regime from July 2012 and was involved in the adoption of the new Member Code of Conduct and procedures.

The Standards Hearings Panel has considered three complaints under the Council's Complaints Procedure, two complaints against a District Councillor and three complaints against Parish Councillors.