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Minutes of the meeting of the AUDIT,
GOVERNANCE AND STANDARDS
COMMITTEE held at 9.30 am on Tuesday,
22nd October, 2019 at MAIN COMMITTEE
ROOM, CIVIC CENTRE, STONE CROSS,
ROTARY WAY, NORTHALLERTON, DL6 2UU

Present

Councillor N A Knapton (in the Chair)

Councillor	P Atkin	Councillor	R W Hudson
	G W Dadd		Mrs J W Mortimer
	D B Elders		P Thompson

Also in Attendance

Councillor	P Bardon	Councillor	G Ramsden
	K G Hardisty		

AGS.16 **MINUTES**

THE DECISION:

That the minutes of the meeting of the Committee held on 23 July 2019 (AGS.3 - AGS.13), previously circulated, be signed as a correct record.

AGS.17 **AMENDMENTS TO MEMBER CODE OF CONDUCT AND MEMBER REGISTER OF INTEREST FORM**

All Wards

The subject of the decision:

The Director of Law and Governance (Monitoring Officer) submitted a report seeking approval to amendments to the Council's Member Code of Conduct and Members' Register of Interests Form.

Alternative options considered:

The Committee gave consideration to the proposed amendments contained within the Code of Conduct for the Members of Hambleton District Council and sought clarification regarding the examples of bullying contained within the document and their possible impact on legitimate debate. The Committee requested that consideration of this matter be deferred for further clarification with the Director of Law and Governance (Monitoring Officer).

The reason for the decision:

To take account of the findings of a review into the standards regime under the Localism Act 2001 by the Committee on Standards in Public Life ("CSPL"). This review was carried out in order for the Committee to satisfy itself that the current standards framework was conducive to promoting and maintaining the standards expected of Members by the general public.

THE DECISION:

That consideration of this matter be deferred until the next meeting of the Committee.

AGS.18 **REGULATION OF INVESTIGATORY POWERS ACT - REVIEW OF ACTIVITY**

All Wards

The subject of the decision:

The Director of Law and Governance (Monitoring Officer) submitted 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 from time to time 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 were made by the Council during the period 24 July to 22 October 2019.

AGS.19 **ANNUAL REVIEW OF RISK MANAGEMENT**

All Wards

The subject of the decision:

The Director of Finance and Commercial (s151 Officer) presented a report following an annual review of the Council's risk management process. As a result of work carried out by the Strategic Risk Management Group during 2018-19, the Council's Risk Management Framework had been updated, a copy of which was attached at Annex A of the report. The Project Risks had been reviewed and aligned with the Key Corporate Projects as identified in the Council Plan for 2019-13, the Service Risks with a net risk threshold of 12 and Corporate Risks had also been reviewed with all three areas of risk being updated in the risk register.

Alternative options considered:

None.

The reason for the decision:

To comply with the Committee's Terms of Reference as detailed within the Constitution.

THE DECISION:

That the Committee:-

- (1) approve the changes to the Council's Risk Management Framework attached at Annex A of the report; and
- (2) note the Corporate Risks, the Key Corporate Project Risks and the Service Risks with a net risk threshold of 12 or above as attached at Annex B, C and D of the report respectively.

AGS.20 **STATUTORY AUDITOR - ANNUAL AUDIT LETTER 2018/19**

All Wards

The subject of the decision:

The Director of Finance and Commercial (s151 Officer) presented a report on the External Auditor's Annual Audit Letter on the 2018/19 Audit, a copy of which was attached as Annex A to the report. A representative from Ernst & Young LLP was in attendance to answer questions. The Committee requested clarification on the variation of the fee.

Alternative options considered:

None.

The reason for the decision:

To take account of the External Auditor's audit and inspection work for the financial year 2018/19.

THE DECISION:

That:-

- (1) the External Auditor's Annual Audit Letter on the 2018/19 Audit be received; and
- (2) clarification in the variation of the fee be reported at the next meeting of the Committee.

AGS.21 **STATUTORY AUDITOR - QUARTERLY BRIEFING**

All Wards

The subject of the decision:

The Director of Finance and Commercial (s151 Officer) presented a report which provided the Council's statutory auditor, Ernst & Young LLP, most recent sector update quarterly briefing paper and provided the Committee with answers to the questions contained therein.

Alternative options considered:

None.

The reason for the decision:

The Committee was satisfied with the responses provided by the Director of Finance and Commercial (s151) to the questions contained within the briefing paper.

THE DECISION:

That Ernst & Young LLP's Local Government Audit Committee briefing be noted.

AGS.22 **REVIEW OF THE INTERNAL AUDIT CHARTER**

All Wards

The subject of the decision:

The Director of Finance and Commercial (s151 Officer) submitted a report seeking approval of the Council's Internal Audit Charter.

Alternative options considered:

None

The reasons for the decision:

The Accounts and Audit Regulations 2015 required the Council to have an effective internal audit service that complied with public sector internal audit standards. CIPFA was responsible for setting those standards for Councils.

THE DECISION:

That:-

- (1) the review of the Internal Audit Charter be noted; and
- (2) the Internal Audit Charter be approved.

AGS.23 **FIRST INTERNAL AUDIT AND COUNTER FRAUD PROGRESS REPORT 2019/20**

All Wards

The subject of the decision:

The Director of Finance and Commercial (S151 Officer) presented a report informing Members of progress made to date in delivering the Internal Audit Plan for 2019/20 and the counter fraud work. The internal audit and counter fraud plans for 2019/20 had been approved at the meeting held on 26 March 2019.

Alternative options considered:

None.

The reason for the decision:

To take account of the statutory requirement (Accounts and Audit Regulations 2015).

THE DECISION:

That the work undertaken by internal audit and the counter fraud team in the year to date be noted.

The meeting closed at 10.50 am

Chairman of the Committee

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