

Governance, Risk and Audit Committee



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3rd June 2019

A meeting of the **Governance, Risk and Audit Committee** of North Norfolk District Council will be held in the **Council Offices, Holt Road, Cromer, NR27 9EN** on **Tuesday, 11 June 2019** at **2.00 pm**.

At the discretion of the Chairman, a short break will be taken after the meeting has been running for approximately one and a half hours

Members of the public who wish to ask a question or speak on an agenda item are requested to notify the committee clerk 24 hours in advance of the meeting and arrive at least 15 minutes before the start of the meeting. This is to allow time for the Committee Chair to rearrange the order of items on the agenda for the convenience of members of the public. Further information on the procedure for public speaking can be obtained from Democratic Services, Tel: 01263 516047, Email: matthew.stembrowicz@north-norfolk.gov.uk.

Anyone attending this meeting may take photographs, film or audio-record the proceedings and report on the meeting. Anyone wishing to do so must inform the Chairman. If you are a member of the public and you wish to speak on an item on the agenda, please be aware that you may be filmed or photographed.

Please note that Committee members will be given priority to speak during the debate of agenda items

Emma Denny
Democratic Services Manager

To: Mr T Adams, Mr C Cushing, Mr S Penfold, Mr J Rest, Mrs J Stenton and Mr J Toye

All other Members of the Council for information.
Members of the Management Team, appropriate Officers, Press and Public



If you have any special requirements in order to attend this meeting, please let us know in advance
If you would like any document in large print, audio, Braille, alternative format or in a different language please contact us

Corporate Directors: Nick Baker and Steve Blatch
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A G E N D A

1. TO RECEIVE APOLOGIES FOR ABSENCE

2. PUBLIC QUESTIONS

To receive public questions, if any.

3. ITEMS OF URGENT BUSINESS

To determine any items of business which the Chairman decides should be considered as a matter of urgency pursuant to section 100B(4)(b) of the Local Government Act 1072.

4. DECLARATIONS OF INTEREST

Members are asked at this stage to declare any interests that they may have in any of the following items on the agenda. The code of conduct for Members requires that declarations include the nature of the interest and whether it is a disclosable pecuniary interest.

5. MINUTES

1 - 8

To approve as a correct record, the minutes of the meeting of the Governance, Risk & Audit Committee held on 26th March 2019.

6. GOVERNANCE, RISK & AUDIT COMMITTEE - ANNUAL REPORT 2018/19

9 - 14

Summary: This report arises from the CIPFA self-assessment of good practice undertaken in March 2018. CIPFA (The Chartered Institute of Public Finance and Accountancy) is the professional body for people in public finance. The report aims to give all Members a better understanding of the role of the Governance, Risk and Audit Committee, to provide insight into the work of the Committee in the year 2018/19 and to highlight some of the key issues it has considered.

Conclusions: The Committee has fulfilled its remit and had a very active year. There have been some changes in membership but attendance has been good. 2019/20 will bring new challenges as the Council undertakes multiple projects and welcomes new Members following the May 2019 election, that could see Members appointed to stand on the Committee for the first time.

Recommendations: It is recommended that Council notes the report and affirms the work of the Governance, Risk and Audit Committee.

Reasons for Recommendations: To inform Council of the work of the

Governance, Risk and Audit Committee in 2018/19.

Cabinet member(s): All
Ward(s) affected: All

Contact Officer, telephone number, and e-mail: Matt Stembrowicz, Democratic Services & Governance Officer, 01263 516047, Matthew.Stembrowicz@north-norfolk.gov.uk

7. MONITORING OFFICER ANNUAL REPORT 2018/19 15 - 22

To receive the Annual Report of the Monitoring Officer 2018/19.

8. PROGRESS REPORT ON INTERNAL AUDIT ACTIVITY: 4 SEPTEMBER 2018 TO 23 NOVEMBER 2018 23 - 48

Summary: This report examines the progress made between 5 March 2019 to 24 April 2019 in relation to delivery of the annual internal audit plan for 2018/19.

Conclusions: Progress in relation to delivery of the internal audit plan is in line with expectations; and positive assurance has been awarded in the audit reviews finalised in this period.

Recommendations: It is recommended that the Committee notes the outcomes of the assurance audit completed between 5 March 2019 to 24 April 2019.

Cabinet member(s): All
Ward(s) affected: All

Contact Officer, telephone number, and e-mail: Faye Haywood, Internal Audit Manager for North Norfolk DC
01508 533873, fhaywood@s-norfolk.gov.uk

9. FOLLOW UP ON INTERNAL AUDIT RECOMMENDATIONS 23 NOVEMBER 2018 TO 31 MARCH 2019 49 - 60

Summary: This report provides an overview of progress made in implementing agreed audit recommendations due for completion between 23 November 2018 to 31 March 2019.

Conclusions: Good progress continues to be made in addressing audit recommendations with a high percentage of these being actioned by management.

Recommendations: It is recommended that the Committee notes management action taken to date regarding the delivery of audit recommendations.

Cabinet member(s):
All

Ward(s) affected:
All

Contact Officer,
telephone number, and e-mail:

Faye Haywood,
Internal Audit Manager for North
Norfolk DC
01508 533873, [fhaywood@s-
norfolk.gov.uk](mailto:fhaywood@s-norfolk.gov.uk)

10. GOVERNANCE, RISK AND AUDIT COMMITTEE SELF-ASSESSMENT 61 - 74

Summary:

The Chartered Institute for Public Finance and Accountancy (CIPFA) document on “audit committees - practical guidance for local authorities and police” sets out the guidance on the function and operation of audit committees. It represents CIPFA’s view of best practice and incorporates the position statement previously issued.

It is good practice for audit committees to complete a regular self-assessment exercise, to be satisfied that the Committee is performing effectively.

Conclusion:

Undertaking a review of its performance against best practice ensures that the Committee has properly assessed the way in which it discharges its duties.

Recommendation:

That Members note the attached checklist at **Appendix 1** to this report.

Cabinet member(s):
All

Ward(s) affected:
All

Contact Officer,
telephone number, and e-mail:

Faye Haywood,
Internal Audit Manager for North
Norfolk DC
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norfolk.gov.uk](mailto:fhaywood@s-norfolk.gov.uk)

11. ANNUAL REPORT AND OPINION 2018/19 75 - 88

To receive the Annual Report and Opinion, and the Review of the Effectiveness of Internal Audit 2018/19.

12. DRAFT STATEMENT OF ACCOUNTS 2018/19 89 - 216

Summary:

As part of the current work programme, the Governance, Risk and Audit Committee will approve the Council’s audited Statement of Accounts. To aid with this process, the draft

Statement of Accounts is presented in this report for early scrutiny by the Committee.

Conclusion: The Draft Statement of Accounts as presented in Appendix A fulfils the Council's obligation to publish by 31st May each year.

Recommendation: That Members note the draft statements at **Appendix 1** to this report.

Cabinet member(s):
All

Ward(s) affected:
All

Contact Officer, telephone number,
and e-mail:

Lucy Hume, Chief Technical
Accountant
01263 516246
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13. LOCAL CODE OF CORPORATE GOVERNANCE AND ANNUAL GOVERNANCE STATEMENT 2018/19 217 - 264

Summary: The Corporate Governance framework is made up of the systems and processes, culture and values by which an organisation is directed and controlled. For local authorities this includes how a Council relates to the community it serves. The Local Code of Corporate Governance is a public statement of the ways in which the Council will achieve good corporate governance. This is based on the development of the new '*Delivering Good Governance in Local Government: Framework*' (2016) produced by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) and focusses on the seven core principles and sub-principles of good governance. The Annual Governance Statement is prepared following a review of all the evidence available to the Council in seeking compliance with its Local Code.

Conclusions: The arrangements set out in the Local Code of Corporate Governance and the Annual Governance Statement will allow the Council to move ahead with its corporate planning processes confident that it can address the issues of governance and risk.

Recommendations: Members are asked to review and approve the Annual Governance Statement along with the updated Local Code of Corporate Governance.

Cabinet Member(s)
All

Ward(s) affected
All

Contact Officer, telephone number and email:
Duncan Ellis, 01263 516330, Duncan.ellis@north-norfolk.gov.uk

14. GOVERNANCE, RISK AND AUDIT COMMITTEE UPDATE AND ACTION LIST 265 - 266

To monitor progress on items requiring action from the previous meeting, including progress on implementation of audit recommendations.

15. GOVERNANCE, RISK AND AUDIT COMMITTEE WORK PROGRAMME 267 - 268

To review the Governance, Risk & Audit Committee Work Programme.

16. EXCLUSION OF THE PRESS AND PUBLIC

To pass the following resolution, if necessary:

“That under section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in part 1 of schedule 12A (as amended) to the Act.”