

NORTHUMBERLAND

Northumberland County Council

Your Ref:
Our Ref: KN
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Date: 20 March 2018

Dear Sir or Madam,

Your attendance is requested at a meeting of the **AUDIT COMMITTEE** to be held in **COMMITTEE ROOM 2** on **WEDNESDAY, 28 MARCH 2018** at **10.00 am** for a **10.15 am start**.

Please note:

- The period between 10.00 am and 10.15 am is restricted to Members of the Audit Committee and Internal and External Audit to allow discussion without the presence of senior officers, in accordance with Minute No. 51(1)/2009-10 and CIPFA best practice.

Yours faithfully,



Daljit Lally
Chief Executive

To members of the Audit Committee as follows:-

Councillors G Hill (Chair), M Swinburn (Vice Chair), G Castle, A Hepple, M Purvis, L J Rickerby, E Simpson, D Towns

AGENDA

PART I

It is expected that the matters included in this part of the agenda will be dealt with in public.

1. APOLOGIES FOR ABSENCE

2. MINUTES

Minutes of the Audit Committee held on 24 January 2018, as circulated, to be confirmed as a true record and signed by the Chair.

3. DISCLOSURE OF MEMBERS' INTERESTS

Unless already entered in the Council's Register of Members' interests, members are required to disclose any personal interest (which includes any disclosable pecuniary interest) they may have in any of the items included on the agenda for the meeting in accordance with the Code of Conduct adopted by the Council on 4 July 2012, and are reminded that if they have any personal interests of a prejudicial nature (as defined under paragraph 17 of the Code Conduct) they must not participate in any discussion or vote on the matter and must leave the room.

NB Any member needing clarification must contact Liam Henry, Legal Services Manager, on 01670 623324. Please refer to the guidance on disclosures at the rear of this agenda letter.

4. STRATEGIC REVIEW OF ACTIVE NORTHUMBERLAND

Judith Stonebridge, Vice-Chair of the Board of Active Northumberland, and Patrick Price, Accountable Officer, will be in attendance to answer any questions members may have regarding the above.

5. REPORTS OF THE EXTERNAL AUDITOR

(1) Northumberland Pension Fund Audit Planning Report

Report from Ernst Young (**Appendix A**)

(2) Certification of Claims and Returns Annual Report 2016/17

Report from Ernst Young (**Appendix B**)

6. REPORTS OF THE DIRECTOR OF FINANCE

(1) The Annual Governance Statement

The purpose of this report is to provide members with a draft version of the Annual Governance Statement (AGS) for their approval. (**Appendix C**)

(2) Statement of Accounts - Group Boundary Review

The purpose of the report is to advise members of the outcome of a group boundary review required for the Annual Statement of Accounts. (Report to follow.)

7. REPORTS OF THE CHIEF INTERNAL AUDITOR

(1) Strategic Audit Plan

The purpose of the report is to advise the Audit Committee of the Strategic Audit Plan for 2018/19. (**Appendix D**)

(2) Outcomes from the External Assessment of the Shared Internal Audit Service, February 2018

The purpose of the report is to advise the Audit Committee of the findings / outcomes from the external assessment of the Shared Internal Audit Service, which was performed in February 2018, in accordance with the requirements of the Public Sector Internal Audit Standards 2017. (**Appendix E**)

(3) Audit Committee Work Programme

The purpose of the report is to propose an updated programme of core business for the Audit Committee for 2018/19, in line with its Terms of Reference as set out in the Council's Constitution. (**Appendix F**)

8. URGENT BUSINESS (IF ANY)

To consider such other business as, in the opinion of the Chair, should, by reason of special circumstances, be considered as a matter of urgency.

PART II

It is expected that matters included in this part of the Agenda will be dealt with in private. Reports referred to are enclosed for members and officers only, coloured pink and marked "Not for Publication".

9. EXCLUSION OF PRESS AND PUBLIC

The Audit Committee are invited to consider passing the following resolution:

- (a) That under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following item on the Agenda as it involves the likely disclosure of exempt information as defined in Part I of Schedule 12A of the 1972 Act, and
- (b) That the public interest in maintaining the exemption outweighs the public interest in disclosure for the following reasons:-

Agenda Item	Paragraph of Part I of Schedule 12A
10	Information of the description in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 in that they contain Information relating to the financial or business affairs of any particular person (other than the authority holding that information); Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings; Information relating to any action taken or to be taken in connection with the prevention or investigation or prosecution of a crime AND the public interest in seeking this exemption outweighs the public interest in disclosure because disclosure could adversely affect the business reputation or confidence in the person/organisation, and could adversely affect commercial revenue.

10. MINUTES

Confidential minutes of the meeting of the Audit Committee held on Wednesday, 24 January 2018, as circulated, to be confirmed as a true record and signed by the Chair.

IF YOU HAVE AN INTEREST AT THIS MEETING, PLEASE:

- Declare it and give details of its nature before the matter is discussed or as soon as it becomes apparent to you.
- Complete this sheet and pass it to the Democratic Services Officer.

Name (please print):
Meeting:
Date:
Item to which your interest relates:
Nature of Registerable Personal Interest i.e. either disclosable pecuniary interest (as defined by Annex 2 to Code of Conduct or other interest (as defined by Annex 3 to Code of Conduct) (please give details):
Nature of Non-registerable Personal Interest (please give details):
Are you intending to withdraw from the meeting?

1. Registerable Personal Interests – You may have a Registerable Personal Interest if the issue being discussed in the meeting:

- a) relates to any Disclosable Pecuniary Interest (as defined by Annex 1 to the Code of Conduct); or
- b) any other interest (as defined by Annex 2 to the Code of Conduct)

The following interests are Disclosable Pecuniary Interests if they are an interest of either you or your spouse or civil partner:

(1) Employment, Office, Companies, Profession or vocation; (2) Sponsorship; (3) Contracts with the Council; (4) Land in the County; (5) Licences in the County; (6) Corporate Tenancies with the Council; or (7) Securities - interests in Companies trading with the Council.

The following are other Registerable Personal Interests:

(1) any body of which you are a member (or in a position of general control or management) to which you are appointed or nominated by the Council; (2) any body which (i) exercises functions of a public nature or (ii) has charitable purposes or (iii) one of whose principal purpose includes the influence of public opinion or policy (including any political party or trade union) of which you are a member (or in a position of general control or management); or (3) any person from whom you have received within the previous three years a gift or hospitality with an estimated value of more than £50 which is attributable to your position as an elected or co-opted member of the Council.

2. Non-Registerable Personal Interests - You may have a non-registerable personal interest when you attend a meeting of the Council or Cabinet, or one of their committees or sub-committees, and you are, or ought reasonably to be, aware that a decision in relation to an item of business which is to be transacted might reasonably be regarded as affecting your well being or financial position, or the well being or financial position of a person described below to a greater extent than most inhabitants of the area affected by the decision.

The persons referred to above are: (a) a member of your family; (b) any person with whom you have a close association; or (c) in relation to persons described in (a) and (b), their employer, any firm in which they are a partner, or company of which they are a director or shareholder.

3. Non-Participation in Council Business

When you attend a meeting of the Council or Cabinet, or one of their committees or sub-committees, and you are aware that the criteria set out below are satisfied in relation to any matter to be considered, or being considered at that meeting, you must : (a) Declare that fact to the meeting; (b) Not participate (or further participate) in any discussion of the matter at the meeting; (c) Not participate in any vote (or further vote) taken on the matter at the meeting; and (d) Leave the room whilst the matter is being discussed.

The criteria for the purposes of the above paragraph are that: (a) You have a registerable or non-registerable personal interest in the matter which is such that a member of the public knowing the relevant facts would reasonably think it so significant that it is likely to prejudice your judgement of the public interest; **and either** (b) the matter will affect the financial position of yourself or one of the persons or bodies referred to above or in any of your register entries; **or** (c) the matter concerns a request for any permission, licence, consent or registration sought by yourself or any of the persons referred to above or in any of your register entries.

This guidance is not a complete statement of the rules on declaration of interests which are contained in the Members' Code of Conduct. If in any doubt, please consult the Monitoring Officer or relevant Democratic Services Officer before the meeting.