



# Northumberland County Council

**Your ref:**  
**Our ref:**  
**Enquiries to:** Kay Norris  
**Email:** kay.norris@northumberland.gov.uk  
**Tel direct:** (01670) 622611  
**Date:** 20 November 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 November 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:-**

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



**Daljit Lally, Chief Executive**  
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## **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 26 September 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. REPORT OF EXTERNAL AUDITOR**

##### **Quarterly Sector Briefing (Appendix A)**

The Committee is requested to receive the above report from Ernst Young for Information.

#### **5. REPORT OF THE EXECUTIVE DIRECTOR OF FINANCE & DEPUTY CHIEF EXECUTIVE**

##### **Treasury Management Mid-Year Review Report for Period 1 April to 30 September 2018 (Appendix B)**

This report provides a mid-year review of the activities of the Treasury Management function for the period 1 April to 30 September 2018, and performance against the Treasury Management Strategy Statement (TMSS) 2018-19 - as approved by the County Council on 21 February 2018. The report provides a review of borrowing and investment performance for the period set in the context of the general economic conditions prevailing so far during the year. It also reviews specific Treasury Management prudential indicators defined by the (CIPFA) Treasury Management

Code of Practice and CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code), and approved by Council in the TMSS.

## **6. REPORTS OF CHIEF INTERNAL AUDITOR**

### **(a) Key Outcomes from Internal Audit Reports (issued April 2018 - October 2018) (Appendix C)**

The purpose of this report is to advise Audit Committee of key outcomes from Internal Audit reports issued between April 2018 and October 2018.

### **(b) Strategic Audit Plan 2018/19, Interim Monitoring Statement (Appendix D)**

The purpose of this report is to provide Audit Committee with an interim (half yearly) monitoring statement in respect of the Strategic Monitoring Plan for 2018/19 (this item is attached as Appendix 1).

### **(c) Risk Management (Appendix E)**

The purpose of this report is to provide Audit Committee with an update of progress on the development, implementation and imbedding of risk management within the County Council).

## **7. REPORT OF THE EXECUTIVE DIRECTOR OF CHILDREN'S SERVICES AND EXECUTIVE DIRECTOR OF ADULT'S SOCIAL CARE AND COMMISSIONING**

### **Review of External Inspection Reports - Adults & Children's Services (Appendix F)**

To inform Audit Committee members of the findings from external inspections that have taken place in the last 6 months (1st April 2018 to 30th September) pertaining to Adults and Children's Services, and to provide assurance that the resulting reports are receiving due scrutiny.

## **8. REPORT OF CHIEF INTERNAL AUDITOR - FOR INFORMATION TOWN AND PARISH COUNCILS (Appendix G)**

This report has been prepared at the request of the Chair of Audit Committee to provide information for Audit Committee on the legislative framework applying to town and parish councils; information on the number of town and parish councils within the county of Northumberland; and the legal and jurisdictional framework governing the relationship between Northumberland County Council and town and parish councils within the Northumberland area.

**9. 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.

**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.

<b>Name (please print):</b>
<b>Meeting:</b>
<b>Date:</b>
<b>Item to which your interest relates:</b>
<b>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):</b>
<b>Nature of Non-registerable Personal Interest (please give details):</b>
<b>Are you intending to withdraw from the meeting?</b>

**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.**