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North Yorkshire Audit Partnership

Held at Ryedale House, Malton
on Wednesday 12 January 2011

Present

Councillors Alderson, Chatt, Rigby, Mrs Shields and Wainwright

In Attendance

Paul Cresswell, James Ingham, Mandy Burchell, David Simpson and Nicki Lishman

Minutes

12 **Apologies for absence**

Apologies for absence were received from Nick Edwards and Councillors Jordan, Kirk and Miss Kenyon.

13 **Minutes of the meeting held on 25 June 2010**

The minutes of the meeting of the North Yorkshire Audit Partnership held on 25 June 2010 were presented.

Resolved

That the minutes of the meeting of the North Yorkshire Audit Partnership held on 25 June 2010 be approved and signed by the Chairman as a correct record subject to an amendment to minute 10 (Any other business that the Chairman decides is urgent) to read;

“That for the remainder of the Partnership Agreement, by informal consensual agreement, the number of voting representatives on the Board for each authority be reduced from two to one, with substitutes allowed.”

14 **Urgent Business**

There were no items of urgent business.

15 **Budget 2011/12**

The Head of Partnership presented a detailed report to members (previously circulated) on the budget for the Partnership for 2011/2012.

The Audit Manager's proposal was that the daily rate for 2011/2012 remained at £235. There was no national pay award for April 2011, and the Partnership would absorb the anticipated increase in the employers' superannuation contribution rate of 1.00% and other changes in the individual budget lines.

The resulting daily charge out rate of £235.00 represented a change of only 2.6% over 5 years (2010/2011; & 2009/10 £235.00; 2008/09 £225.00; 2007/08 £229.00). The budget was attached at Appendix A of the report.

The budget was based on the revised structure and membership of the Partnership. Any further changes to the staffing structure of the Partnership, or grading subsequent to formal job evaluation, would, almost certainly, lead to a reappraisal of the budget for the year 2011/2012.

The majority (around 90%) of costs are payroll costs over which there was only a limited amount of control and the proposed rate for the year reflected economies of scale in the Partnership management structure. An expected increase in employers pension contribution, mandated by the NYCC Pension Fund was provided for.

The number of audit days for each Partner was reduced to deliver savings, and were in the process of agreement.

It was outlined that the days outlined in the report for the councils, and the additional days, may change in the light of changing demand and also changing resource availability. The resource/demand equation throughout the year would be monitored to ensure that resources were 'fully utilised'.

Members were advised that should Partners choose different pension arrangements than expected, changes may be required to the planned budget, which would be reported at a future meeting of the Partnership if required.

Resolved

That the budget proposals and a daily rate for 2011/2012 of £235.00 were approved.

16 Service Delivery (Business) Plan

The Head of Partnership presented a report (previously circulated) detailing the Partnership Business Plan for 2011/2012.

Members were requested to note the changes to the structure and were advised that there was still the capacity to include other North Yorkshire authorities not yet in the Partnership.

Resolved

That the report be noted.

17 NYAP - Post 1 April 2012

The Head of Partnership submitted a report (previously circulated) to set out a synopsis of the proposal for the future of Internal Audit provision at partner Councils and of the North Yorkshire Audit Partnership itself. The report was

presented by the Corporate Director (s151) as the Head of Partnership withdrew from the meeting during discussion of this item.

The report presented a way forward following the end of the existing partnership agreement on 31 March 2012. Discussions had been held with Veritau Limited, which was formed by North Yorkshire County Council and City of York Council to provide internal audit, counter fraud and information governance. Veritau provided these services to the two Councils together with a number of other public sector bodies.

NYAP Directors had approached Veritau to discuss potential options for future collaboration. The report went on outline the key points of any transfer of the existing services provided by NYAP to Veritau including the benefits, legal implications, governance and service contract arrangements and service provision.

Resolved

That the proposal to merge with Veritau is supported in principle, including staffing arrangements as discussed in the meeting.

18 Partnership Risk Register

The Head of Partnership presented a report in connection with the arrangements for risk management within the Partnership.

The report set out the risk management framework and the risk register, a copy of which was appended to the report, which identified the principal risks and any steps being taken to manage those risks.

Resolved

That the risk management framework and risk register be approved.

19 Head of Partnership Report

The Head of Partnership presented a report which set out the activities and performance of the Audit Partnership in 2010/2011.

The report included information on staffing, operational issues, partnership issues, risk management, audit planning and external work.

Resolved

That the report be received.

20 Any other business that the Chairman decides is urgent.

There were no items of urgent business.

The meeting closed at 3.00 p.m.