

# York and North Yorkshire Combined Authority Audit and Governance Committee

Minutes of the meeting held at County Hall, Northallerton on Tuesday 16th July 2024  
commencing at 10.00 am.

**Present:** City of York Councillor Dave Merrett in the Chair. City of York Councillor Andrew Hollyer and City of York Councillor Rachel Melly. North Yorkshire Councillor Philip Broadbank, North Yorkshire Councillor Caroline Goodrick, North Yorkshire Councillor Cliff Lunn and North Yorkshire Councillor Clive Pearson.

**Officers present:**

YNYCA – Rachel Antonelli (Interim Deputy Monitoring Officer), Debbie Mitchell (Interim s73 Officer), and Paul Clark.

NYC – Will Baines and Edward Maxwell

Veritau – Stuart Cutts (Internal Audit)

Forvis Mazars – Mark Outterside and Ellie Horsley (External Audit)

**Apologies:** City of York Councillor Mark Warters

**AG24-1 Confirmation of Chair for 2024/25**

Following the decision of the Combined Authority at its meeting on 28 June 2024, the Chair was confirmed as Councillor Dave Merrett for the 2024/25 municipal year.

**AG24-2 Apologies for Absence**

Apologies for absence were received from City of York Councillor Mark Warters.

**AG24-3 Declarations of Interest**

There were no declarations of interest.

**AG24-4 Public Participation**

No public questions or statements were received.

**AG24-5 Change to Composition and Quorum of Audit and Governance Committee**

Considered – Report of the Interim Deputy Monitoring Officer setting out an amendment made to the York and North Yorkshire Combined Authority (Y&NY Combined Authority) Constitution relating to the composition and quoracy of the Audit and Governance Committee.

In essence, the amendments were around reflecting the total number of members on the committee (9), clarity over the status of the co-opted Independent Member, that named substitutes members are to be politically inclusive, the provision for the Independent Standards Person to attend as required and the quoracy of the committee changed to six to reflect the two-thirds of the total membership figure.

It was also noted that an urgent report is going to the Combined Authority next week seeking amendments to the Constitution around delegations around the Adult

Education Board and policies and procedures. Members of the Audit & Governance committee were asked to feed in any comments, but an apology was made as the usual practice is for changes to the Constitution to come to Audit & Governance prior to the Combined Authority, but this hadn't been possible on this occasion due to the urgency.

Following this, key points raised by the committee members were as follows:

- The lack of a casting vote. It was explained that in this scenario, if there was a tie, the motion would not be carried.
- The position of substitute members was queried and a paper will be brought to the Combined Authority on an informal basis over the summer to seek a clear and consistent position.
- The inclusion of non-voting members being included at present in order to calculate the quorum was also queried. There were different views expressed on this matter from committee members and there were noted.
- The recruitment of an Independent Member of Audit and Governance Committee would take place in due course, following the conclusion of the recruitment process for Business Board members. The suggestion of recruiting multiple Independent Members was put forward to give resilience in the future.

In rounding up the discussion, it was emphasised that the Combined Authority is trying align as far as possible with the Constitutions of the constituent authorities.

**Resolved** – That the report be noted.

#### **AG24-6 Internal Audit, Information Governance, Risk Management and Counter Fraud Work Programme 2024/25**

Considered – Report of the Veritau Assistant Director – Audit Assurance to seek approval for Veritau's internal audit programme of work for 2024/25.

An overview of the various work programmes across internal audit, information governance, risk management and counter fraud was given.

Following this, key points raised by committee members were as follows:

- Given that Veritau are providing information governance, risk management and counter fraud services to the Y&NY Combined Authority, along with internal audit, how are governance issues around these other service areas to be handled, given Veritau is also the provider? In response, it was noted that there may be internal control weaknesses that involve additional internal audit work, and these would be discussed as appropriate. In the case of the new Y&NY Combined Authority, as it is a new organisation in its first year and arrangements are evolving, there will be support and improvements needed, and any issues of concern would be triaged to the Audit Manager in the first instance to consider any additional action required.

**Resolved** – To approve the 2024/25 internal audit work programme, and to note the information governance, risk management and counter fraud work programmes.

#### **AG24-7 External Audit Verbal Update**

Mark Outterside from Forvis Mazars verbally updated the committee that scoping work was at an early stage on the external audit preparation. This would involve considering the financial statements together with discharging their wider responsibilities around assessing value for money. At the moment, work is ongoing with officers to plan out areas of interest.

**Resolved** – That the update be noted.

#### **AG24-8 Draft Annual Governance Statement 2023/2024**

Considered – Report of the Interim Deputy Monitoring Officer presenting a draft Annual Governance Statement (AGS) 2023/24 for comment and endorsement.

Rachel Antonelli introduced the report, with the key points covered as highlighted below:

- The draft AGS is a snapshot in time from the formation of the Y&NY Combined Authority in December 2023 through to March 2024.
- The draft AGS provides an annual review of the effectiveness of the internal controls and governance arrangements of the Y&NY Combined Authority, looking back at the last three months and the forthcoming twelve months.
- The draft AGS sets out the corporate governance framework, the legal, strategic and policy context, an outline of the Business Board, the initial economic framework and the governance arrangements in place for the Y&NY Combined Authority.
- The areas of focus in 2024/25 include appointing an Independent Person, embedding the task groups within the Combined Authority, recruitment of statutory officers and review of the Constitution.

Following this, key points raised by members included:

- Given the Joint Independent Audit Committee (Police and Crime) and the Independent Audit Committee (Fire and Rescue) together with the Y&NY Combined Authority Audit and Governance Committee, is there a case of over auditing. In response, it was explained that as part of the transition, an 'As is' model had been adopted as a temporary measure. Over the next 12/18 months joint working opportunities between the bodies is to be explored by officers. Whatever the outcome, a uniform approach to how the committees operate is required around the carrying out democratic process and procedures.
- Given the significant sums of money granted to capital projects, a check on the systems, evaluation, decision making and value for money processes within the first 12 months was requested. As well as a formal paper to committee, an induction/training session was also suggested.

**Resolved** – That the Committee endorse the draft Annual Governance Statement 2023/24 for publication in due course as part of the annual accounts.

#### **AG24-9 Review of Constitution of Combined Authority**

Considered – Report of the Interim Deputy Monitoring Officer

Rachel Antonelli introduced the report, with the key points covered as highlighted below:

- Since its creation, the main aim of the Constitution was to ensure that the organisation could, in its early days, operate on a safe and legal basis. However, it was always acknowledged that the model adopted would not be a long-term model, but was necessary to get the Combined Authority up and running.
- It was always envisaged that within the first 12 to 18 months of the creation of the Y&NY Combined Authority, that a full scale review would take place.
- It is anticipated that the review of the Constitution would take around 12 months, going through part by part.
- Alongside a core working group, when specialist matters are considered as part of the review then other attendees such as subject matter experts will be invited to attend.
- Comments from previous meetings, officer feedback and submissions from members of the public have been retained to feed into the review process by the working group.

**Resolved** – That a working group be set up to undertake a review of the Constitution and governance arrangements for the Y&NY Combined Authority.

Expressions of interest from Audit and Governance committee members to sit on the working group are to be sought.

#### **AG24-10 Audit and Governance Work Plan 2024/25**

**Considered** – The Audit and Governance Work Plan was presented.

The consideration of regular counter fraud reports was welcomed.

**Resolved** – That the Audit and Governance Work Plan 2024/25 be noted.

#### **AG24-11 Urgent Business**

There were no items of urgent business.

The meeting concluded at 10:50am.