



Agenda

Notice of a meeting of York and North Yorkshire Combined Authority Audit and Governance Committee

To: Councillors Philip Broadbank, Caroline Goodrick, Cliff Lunn, Rachel Melly, Dave Merrett (Chair), Clive Pearson, Mark Warters and Vacancy

Date: Tuesday, 16th July, 2024

Time: 10.00 am

Venue: Brierley Room, County Hall, Northallerton, DL7 8AD

The meeting will be recorded. It will not be broadcast live, but will be available to view via the following link - [York & North Yorkshire Combined Authority - YouTube](#) as soon as possible following the conclusion of the meeting.

Business

1. Confirmation of Chair for 2024/25

2. Apologies for Absence

3. Declarations of Interest

At this point in the meeting, Members and co-opted Members are asked to declare any disclosable pecuniary interest, or other registerable interest, they might have in respect of business on this agenda, if they have not already done so in advance on the Register of Interests. The disclosure must include the nature of the interest.

An interest must also be disclosed in the Meeting when it becomes apparent to the Member during the Meeting.

4. Public Participation

Members of the public may ask questions or make statements at this Meeting if they have given notice and provided the text of questions to Democratic Services, (democracy@yorknorthyorks-ca.gov.uk) no later than 12 noon on Friday 12th July 2024. Each speaker should limit themselves to 3 minutes on any item. Members of the public who have given notice will be invited to speak:

- At this point in the Meeting if their questions/statements relate to matters which are not otherwise on the Agenda (subject to an overall time limit of 30 minutes); or

- When the relevant Agenda item is being considered if they wish to speak on a matter which is on the Agenda for this Meeting.

If you are exercising your right to speak at this Meeting, but do not wish to be recorded, please inform the Chair who will instruct anyone who may be taking a recording to cease while you speak.

- 5. Change to Composition and Quorum of Audit and Governance Committee** (Pages 3 - 6)
The report sets out an amendment to the Combined Authority's Constitution relating to the composition and quoracy relating to the Audit and Governance Committee.
- 6. Internal Audit, Information Governance, Risk Management and Counter Fraud Work Programme 2024/25** (Pages 7 - 16)
This report seeks the Committee's approval for the indicative programme of internal audit work to be undertaken in 2024/25. It also includes the proposed programme of risk management, information governance and counter fraud work, which are provided for the Committee's information.
- 7. External Audit Verbal Update**
The Combined Authority's External Auditor, Forvis Mazars, to provide a verbal update.
- 8. Draft Annual Governance Statement 2023/2024** (To Follow)
This report provides the Committee with detail around the draft Annual Governance Statement which reflects the effectiveness of the Combined Authority's governance procedures and systems.
- 9. Review of Constitution of Combined Authority** (Pages 17 - 20)
The purpose of this report is to update Audit and Governance Committee with the decision of the Combined Authority to direct the Committee to undertake a review of the Constitution of the Combined Authority.
- 10. Audit and Governance Work Plan 2024/25** (Pages 21 - 22)
To consider the Committee's work plan.
- 11. Urgent Business**
Any other business which the Chair considers urgent under the Local Government Act 1972

James Farrar
Head of Paid Service

Barry Khan
Interim Monitoring Officer

8 July 2024

Enquiries relating to this agenda please contact:

William Baines, Senior Scrutiny Officer
william.baines@northyorks.gov.uk

Paul Clark, Governance and Assurance Manager
paul.clark@yorknorthyorks-ca.gov.uk

Email: democracy@yorknorthyorks-ca.gov.uk
Web: www.yorknorthyorks-ca.gov.uk

AUDIT AND GOVERNANCE MEETING

16 JULY 2024

CHANGE TO COMPOSITION AND QUORUM OF AUDIT AND GOVERNANCE

Report of the Interim Deputy Monitoring Officer

1.0 Purpose of the Report

- 1.1 This report sets out an amendment to the Combined Authority's Constitution relating to the composition and quoracy of the Audit and Governance Committee.

2.0 Recommendations

- 2.1 Members are asked to note this report.

3.0 Background

- 3.1 The York and North Yorkshire Combined Authority was created by way of Order in December 2023. A Constitution was drafted, with input from various sources, including Officers of the Combined Authority, Officers of departments transitioning into the Combined Authority, and Constituent Authority Members.
- 3.2 The Combined Authority approved the first iteration of the Constitution in January 2024 and since then have approved further amendments, the changes to the composition and quorum of the Audit and Governance Committee being one of these amendments.

4.0 Constitutional Amendments

- 4.1 An amendment to the Constitution was required in order that the composition of the Committee reflected the position in relation to both voting and non-voting Members. There are nine Members of the Committee, not thirteen, there are four Members from each Constituent Council and one Independent Member of Audit and Governance Committee, with one Independent Standards Person.
- 4.2 Two substitutes from the Constituent Councils would be appointed in total, one from each Constituent Council.
- 4.3 The Combined Authority also approved that there would be one co-opted Audit and Governance Independent member, not four and that this Member would not have any voting rights on the Committee.

- 4.4 An amendment has been made to quoracy of the Committee, the quorum includes all Members, therefore if the total number of Members on the Committee is nine, then two-thirds of this total membership is six Members.

2. Composition and Procedure

2.1 Membership

The Audit and Governance Committee shall be appointed by the Y&NYCA and shall have a total of nine members, comprising:

- *Four co-opted elected members from each of the Constituent Councils of the Y&NYCA (who are not also Members or Substitute Members of the Y&NYCA or Assistant Portfolio Holders);*
- *One co-opted Member, who is the Independent Member and shall have no voting rights on the Committee;*
- *The Y&NYCA will also appoint two substitute co-opted elected members, one from each constituent council, who may be invited to attend as full members of the Audit and Governance Committee when apologies have been received. Substitute members will be appointed from the nominations received from constituent councils following their annual meetings and will be politically inclusive.*
-
- *The Combined Authority's Independent Standards Person may attend the Committee to deal with matters relating to member conduct and ethical standards, who shall have no voting rights on the Committee.*

All members of the Committee save the Independent Member and the Independent Standards Person will have voting rights.

2.2 Independent Member/Person

For the purposes of paragraph 2.1 above an individual is an Independent Member/Person if that person:

- (i) is not a member, substitute member, co-opted member or officer of the Y&NYCA or the Constituent Councils;*
- (ii) is not a relative, or close friend, of a person within (i) above; and*

- (iii) *was not at any time during the 5 years ending with their appointment to the Audit and Governance Committee a member, substitute member, co-opted member or officer of the Y&NYCA.*

[For the purposes of paragraph 2.2(ii) above 'relative' has the meaning contained in Article 2(2) of the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017.]

2.3 *Political Balance*

In appointing co-opted elected members to the Audit & Governance Committee the Y&NYCA must ensure that the members of the committee taken as a whole reflect so far as reasonably practicable the balance of political parties for the time being prevailing among members of the Constituent Councils when taken together, in accordance with Rule 15.3 of the Y&NYCA Procedure Rules set out in Section A of Part 5 of this Constitution.

2.4 *Chairing the Committee*

The Y&NYCA will appoint the Chair of the Committee. In the absence of the appointed Chair, the Committee will be chaired as determined by the Committee.

2.5 *Quorum*

At least two-thirds of the total number of members of the Audit & Governance Committee (i.e., 6 members) must be present at a meeting of the Committee before any business may be transacted.

2.6 *Voting*

Each member to have one vote, no member is to have a casting vote.

5.0 Financial Implications

- 5.1 There are no financial implications arising from this report.

6.0 Legal Implications

- 6.1 The Constitution of the York and North Yorkshire Combined Authority must remain fit for purpose and ensure that the Authority can conduct their business in a safe and legal manner. The amendment to the Constitution is

required to ensure that the Audit and Governance Committee is properly constituted and meets the requirements of the York and north Yorkshire Combined Authority Order 2023 and the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017. The Combined Authority have approved this amendment, such approval in accordance with the Constitution.

7.0 Equalities Implications

7.1 There are no additional direct implications arising from the amendment.

8.0 Environmental Implications

8.1 There are no environmental implications arising from this report.

9.0 Combined Authority Areas Impacted (Council Areas/Wards/Divisions)

9.1 York and North Yorkshire.

10.0 Recommendations

10.1 Members are asked to note this report.

11.0 Reasons For Recommendations

11.1 The Combined Authority needs to ensure that it is safe and legal as it evolves over the coming weeks and months. This amendment allows for the Audit and Governance Committee to be constituted in such a manner.

12.0 Contact Details

For further information please contact the author of this Report.

Author

Name:	Rachel Antonelli
Job Title:	Interim Deputy Monitoring Officer
Service Area:	Legal and Governance
Email:	Rachel.antonelli@yorknorthyorks-ca.gov.uk
Report approved:	Rachel Antonelli
Date:	8 July 2024

Background papers - None

Appendices – None

YORK AND NORTH YORKSHIRE COMBINED AUTHORITY

AUDIT AND GOVERNANCE COMMITTEE

16 JULY 2024

2024/25 VERITAU WORK PROGRAMMES

Report of the Head of Internal Audit

1.0 PURPOSE OF THE REPORT

- 1.1 To seek approval for Veritau's internal audit programme of work for 2024/25. The report also includes details of the planned information governance, risk management and counter fraud work programmes.

2.0 BACKGROUND

- 2.1 The Public Sector Internal Audit Standards (PSIAS) require the Head of Internal Audit to communicate the internal audit service's plans (referred to as a 'work programme') to senior management and the Audit and Governance Committee for review and approval.
- 2.2 In addition to internal audit, Veritau also provides specialist information governance, risk management and counter fraud services to the Authority. While formal approval of the work programmes for these areas is not required, details of planned activities are provided for information.

3.0 INTERNAL AUDIT WORK PROGRAMME 2024/25

- 3.1 An indicative risk-based internal audit work programme is drawn up at the start of each year, setting out the proposed priorities for assurance coverage over the coming twelve months.
- 3.2 The internal audit programme outlines the current priorities for work in 2024/25. It includes proposed areas of audit coverage and is based on a risk assessment undertaken by Veritau. The work programme has also been informed by discussions with senior officers of the Authority.
- 3.3 Details of the proposed internal audit work programme are included in **appendix 1**.

3.4 The programme is a flexible working document which is revisited, updated, and adjusted throughout the year to ensure it remains aligned with current risks and priorities.

4.0 **INFORMATION GOVERNANCE, RISK MANAGEMENT AND COUNTER FRAUD WORK PROGRAMMES 2024/25**

4.1 The planned work programmes for information governance, risk management and counter fraud are included in the supporting report for information.

5.0 **IMPLICATIONS**

5.1 There are no local member, financial, human resources, legal, equalities or climate change implications.

6.0 **RECOMMENDATION**

6.1 Members are requested to approve the 2024/25 internal audit work programme, and to note the information governance, risk management and counter fraud work programmes.

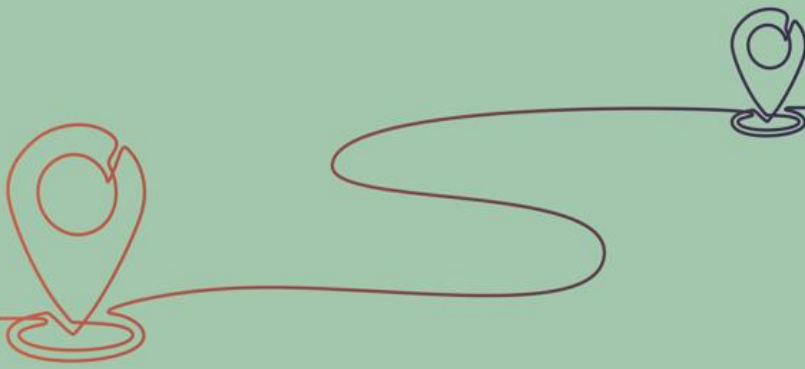
Report prepared and presented by Stuart Cutts – Assistant Director Audit Assurance

Veritau
West Offices
York

4 July 2024

Background Documents: None

Internal Audit, Information Governance, Risk Management and Counter Fraud Work Programme 2024/25





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- 3** Introduction
- 3** Internal audit
- 4** Information governance
- 6** Risk management
- 7** Counter Fraud

Introduction



- 1 This document sets out the planned 2024/25 programme of work for internal audit, information governance, risk management and counter fraud, provided by Veritau for the York and North Yorkshire Combined Authority (YNYCA).
- 2 With this being the first full year of the new Authority, we have sought to focus on the key areas of risk for the new organisation.

Internal audit



- 3 The work of internal audit is governed by the Public Sector Internal Audit Standards (PSIAS) and the Authority's audit charter.
- 4 The internal audit plan has been prepared on the basis of a risk assessment. This is intended to ensure audit resources are prioritised towards those areas which are considered to be the riskiest and/or which contribute the most to the achievement of the Authority's priorities and objectives.
- 5 The content of the internal audit plan has been subject to consultation with directors and other relevant senior officers, including the Office of the Police, Fire and Crime Commissioner for North Yorkshire (OFPCC).
- 6 The internal audit plan is submitted for formal approval by the Audit and Governance Committee who are responsible for monitoring progress against the plan and overseeing the work of internal audit. Any changes to the plan will be agreed with officers and will be notified to the Committee. Proposed work is also discussed with the Authority's external auditors and the current internal auditors for the OFPCC and North Yorkshire Fire and Rescue Service to ensure there is no duplication of effort.
- 7 Responsibility for effective risk management, governance and internal control arrangements remains with the Authority. The Head of Internal Audit cannot be expected to prevent or detect all weaknesses or failures in internal control, nor can internal audit work cover all areas of risk across the organisation.
- 8 The plan for 2024/25 comprises 28 days coverage and further details are included in table 1 below.

Table 1: Internal audit proposed areas of coverage for 2024/25

Area	Coverage
▲ Adult Education Budget	The Authority is working towards taking on adult education responsibilities in August 2025. Between now and then, appropriate arrangements will need to be introduced and be to the satisfaction of the Department

Area	Coverage
	<p>for Education (DfE) before such responsibilities will be transferred.</p> <p>Internal audit work will assess the governance and other arrangements being put in place to ensure compliance with DfE requirements.</p>
▲ Budget management	A review of the Authority’s budget setting, and budget management processes including adjustments and virements. The review will also look at reporting arrangements.
▲ Creditor payments	To provide assurance on the operation of the key controls in respect of payment systems and processes. We will use our data analysis software to support this work.
▲ Support and advice	An allocation of time to provide advice and guidance on internal control and other matters.

Information governance



- 9 Veritau provides an information governance service to the Authority. We also act as the Authority’s Data Protection Officer and are the point of contact for the Information Commissioner’s Office (ICO).
- 10 Veritau provides a co-ordinating role for Information Governance (IG) and Data Protection (DP) activity working together with colleagues who provide IG and DP information request support to North Yorkshire Fire and Rescue Service (NYFRS) and the OFPCC.
- 11 A high-level summary of the areas for information governance work in 2024/25 is shown in the table below

Table 2: Information governance proposed areas of coverage

Area	Coverage
▲ Data Protection officer	<p>Co-ordinate DP and IG activities across the Authority including NYFRS and OFPCC and develop associated action plans.</p> <p>Support the YNYCA in ensuring internal compliance and inform and advise on the YNYCA’s data protection obligations.</p> <p>To co-ordinate responses to information rights requests, assist with resolution of information rights complaints, undertake internal reviews as required.</p> <p>Act as a contact point for data subjects and the Information Commissioner’s Office.</p>

Area	Coverage
	<p>Co-ordinate, support the development of, provide advice and review mandatory data protection impact assessments, information sharing agreements, data processing agreements.</p> <p>To complete an annual data protection compliance review.</p>
<p>▲ Policy Framework / Compliance with data protection legislation</p>	<p>Develop an IG Framework for the YNYCA. To support the establishment of an IG Committee for the YNYCA.</p> <p>Co-ordination, rationalisation and development of policies and processes to support improved information and records management across the YNYCA including NYFRS/OFPCC.</p> <p>Rationalisation of and provision of standard templates (policies, privacy notices, information asset registers).</p> <p>Support the YNYCA directorates and service areas as they implement the YNYCA transition plan across the organisation including NYFRS/OFPCC.</p> <p>Develop a program of activity re Information Asset Management.</p> <p>Co-ordinate regular reporting of IG/DP compliance across YNYCA.</p>
<p>▲ Personal data breaches</p>	<p>Develop/co-ordinate the process for managing incidents across YNYCA including NYFRS/OFPCC.</p> <p>Raise awareness of the process of reporting of incidents across the YNYCA.</p> <p>Monitor incidents to highlight trends and proactively supporting services to reduce the risk of future occurrence.</p> <p>Be the point of contact for the ICO.</p>
<p>▲ Freedom of information/EIR</p>	<p>Develop a process for managing requests across the YNYCA including NYFRS/OFPCC.</p> <p>Co-ordinate responses to Freedom of Information/EIR requests. Providing training, advice and guidance to service areas. Acting as the first point of contact with the ICO.</p> <p>The development of guidance materials.</p>
<p>▲ Data subject rights</p>	<p>Develop a process for managing requests across the YNYCA including NYFRS/OFPCC.</p> <p>Co-ordinate responses to personal data subject requests. Providing training, advice and guidance to service areas. Acting as the first point of contact with the ICO.</p>

Area	Coverage
	The development of guidance materials.
▲ Advice and support	An allocation of time to allow for advice and guidance on data protection / information governance matters.

Risk management

- 12 Veritau has been engaged to support the Authority with maintaining its risk management framework. This service is provided independently from the internal audit service and is overseen by an Assistant Director who specialises in risk management.
- 13 It remains the responsibility of the Authority's officers to identify and manage risks associated with the delivery of services, programmes, and projects. It is this committee's responsibility to assure itself that the Authority's risk management arrangements remain effective. Veritau will provide support to these processes by facilitating risk management activity and by providing advice and training to officers and to this committee.
- 14 We expect the contribution of the risk management service will become clearer as the Authority, and its risk management framework, becomes more established.
- 15 The primary objective during the Authority's first year of operation is to harmonise risk management arrangements inherited from the OPFCC, NYFRS and the former LEP, developing a corporate framework for the management of the organisation's key strategic risks.
- 16 Breaking this down, the key deliverables for 2023/24 are to:
 - consult on, and develop, a risk management policy which sets out corporate expectations for the management of risk across the Authority and clarifies governance arrangements.
 - consult on, and develop, risk management procedures which guide the implementation of the policy and provide a consistent basis for the identification, measurement, management, and review of risks across the Authority's constituent parts.
 - consult on, and develop, a strategic risk register which captures the Authority's key risks.
- 17 Future reports to this committee will provide updates against these deliverables. The committee will also be provided with regular updates on the Authority's strategic risk register once this has been developed.



18 Veritau undertakes counter fraud work on behalf of the Authority. The table below summarises expected counter fraud activity for 2024/25.

Table 3: Counter fraud work programme

Programme area	Purpose
<p>▲ Counter Fraud - General</p>	<p>Monitoring changes to regulations and guidance, reviewing counter fraud risks, and providing support to the Authority with the maintenance of the counter fraud framework. Updates on significant fraud trends and counter fraud activities will be provided to the Audit and Governance Committee during the year.</p>
<p>▲ Proactive Work</p>	<p>This includes:</p> <ul style="list-style-type: none"> • raising awareness of counter fraud issues and procedures for reporting suspected fraud - for example through training and provision of updates on fraud related issues • support and advice on cases which may be appropriate for investigation and advice on appropriate measures to deter and prevent fraud.
<p>▲ Reactive Investigations</p>	<p>Investigation of suspected fraud affecting the Authority. This includes feedback on any changes needed to procedures to prevent fraud reoccurring.</p>

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AUDIT AND GOVERNANCE COMMITTEE MEETING

16 JULY 2024

REVIEW OF CONSTITUTION OF COMBINED AUTHORITY

Report of the Interim Deputy Monitoring Officer

1.0 Purpose of the Report

1.1 This report sets out the proposals for undertaking a review of the Constitution and Governance arrangements for the York and North Yorkshire Combined Authority.

2.0 Recommendations

2.1 The Audit and Governance Committee is asked to establish a working group to undertake a review of the Constitution of the Combined Authority and report back to the Audit and Governance their recommendations before final consideration by the Combined Authority.

3.0 Background

3.1 The York and North Yorkshire Combined Authority, like all Combined Authorities, must make decisions that have far reaching implications for the way that services are delivered which impact on the lives of local people. Local people need to be confident that such decisions are evidence based and considered openly and accountably.

3.2 The Constitution sets out the framework within which decisions are taken and it is therefore imperative that it is accurate to ensure that all decisions taken are within the Combined Authority's powers and are compliant with legislative requirements.

3.3 Good governance is essential to ensure decision-making is effective and therefore, the Combined Authority must regularly review its governance arrangements including the decision-making structures as set out in the Constitution.

4.0 Purpose of Constitution Review

4.1 The Constitution was approved by the Combined Authority in January 2024, shortly after the inception of the Authority. It has had several amendments to date, including the addition of Police and Crime and Fire and Rescue functions, with the transition of the Office of the Police, Fire and Crime Commissioner and the Fire and Rescue Service and Authority into the Combined Authority.

4.2 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 Authority up and running.

4.3 Feedback has been received from various sources, including the public, officers and Members of each Constituent Authority and, should the Committee approve the review of the Constitution, it is expected that the Working Group will speak with subject matter experts, Members and Officers again to seek their views on any amendments necessary.

4.4 It is anticipated that this work would take until the end of this financial year, with a view that the draft Constitution could be presented to the Combined Authority towards the end of this municipal year for adoption at the start of the next municipal year.

5.0 Financial Implications

5.1 There are no specific financial implications arising from this report.

6.0 Legal Implications

6.1 The legal implications are set out within this report.

7.0 Equalities Implications

7.1 The review of the Constitution will need to take into account a number of equalities issues to ensure that the final proposals are compliant with equalities legislation.

8.0 Environmental Implications

8.1 There are no environmental implications arising directly from this report.

9.0 Combined Authority Areas Impacted (Council Areas/Wards/Divisions)

9.1 York and North Yorkshire.

10.0 Recommendations

10.1 The Audit and Governance Committee is asked to establish a working group to undertake a review of the Constitution of the Combined Authority and report back to the Audit and Governance their recommendations before final consideration by the Combined Authority.

11.0 Reasons For Recommendations

11.1 To facilitate a review of the Constitution to ensure that it is accurate and effective and to enable a thorough and robust review of the governance arrangements taking into account the impact of any potential changes on all interested parties.

12.0 Contact Details

For further information please contact the author of this Report.

Author

Name:	Rachel Antonelli
Job Title:	Interim Deputy Monitoring Officer
Service Area:	Legal and Governance
Telephone:	Rachel.antonelli@yorknorthyorks-ca.gov.uk
Report approved:	Rachel Antonelli
Date:	8 July 2024

Background papers - [YNYCA-Constitution-June-2024.pdf \(yorknorthyorks-ca.gov.uk\)](#)

Appendices – None

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AUDIT AND GOVERNANCE COMMITTEE								
Programme of Work								
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